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ASEAN To Discuss France's Cambodia Peace Plan
*BK2906031889 Hong Kong AFP in English 0250 GMT
29 Jun 89*

[Text] Bandar Seri Begawan, June 29 (AFP)—A French plan for two-tier talks to end the Cambodia conflict will dominate the annual meeting of foreign ministers from non-communist Southeast Asia which starts here in the Brunei capital Monday [3 July], diplomats said.

Officials of the Association of Southeast Asian Nations (ASEAN) said their ministers were expected to take a common stand on the blueprint circulated by Paris to the six-member group earlier this month.

Diplomats said the plan calls for a roundtable in Paris on July 25 that will bring together the tripartite resistance headed by Prince Norodom Sihanouk and the Hanoi-backed Hun Sen government.

France has also proposed that an international conference be convened in the first week of August after the roundtable to legitimise any accord reached by the warring factions.

The international conference will also serve as a negotiating forum should the four Cambodian factions fail to reach an agreement, diplomats familiar with the French plan said.

The ASEAN, which groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand, will join Vietnam, Laos, Australia, India and Japan as well as the five permanent members of the U.N. Security Council at the international conference if the French proposals are accepted.

The five permanent U.N. Security Council members are the United States, the Soviet Union, Britain, France and China.

Diplomats said the French proposals also call for the participation of a single Cambodian delegation drawn from all factions at the international conference along with the U.N. Secretary-General Javier Perez de Cuellar.

Hanoi announced in early January that it would complete a unilateral pullout of the last of the 200,000 troops it sent into Cambodia in 1978 by the end of September.

A Malaysian Foreign Ministry official said international concern that a civil war might break out if the Cambodian factions did not reach an accord before the pullout had spurred diplomatic efforts for a quick settlement.

"Time is not with us. If we do not reach an accord we may be confronted with a new set of problems," he said.

ASEAN diplomats responding to the French initiative said the proposals would not undercut the regional group's own efforts at seeking a solution undertaken at earlier Jakarta Informal Meetings known as JIM.

A Singapore Foreign Ministry official said he did not see the Cambodia peace process shifting away from ASEAN. "If it were out of our hands, we wouldn't be spending so much time on it. We are very much involved," he said.

A Thai Foreign Ministry official said in Bangkok on Monday that Indonesia might be ASEAN's "logical" choice to co-chair the international conference with France because of Jakarta's active role in the peace process, but other diplomats said ASEAN was unlikely to make an issue of the matter.

The Malaysian Foreign Ministry official said that the Paris meetings were likely to build on the accords already reached by the Cambodian factions in Jakarta by focusing on areas so far untouched.

Diplomats said these areas included the type of international control mechanisms needed to monitor the Vietnamese pullout, keeping track of aid to the factions, and ensuring the installation of an independent government of national reconciliation.

ASEAN officials said their ministers will discuss the current debate among U.S. congressional leaders on whether Washington should provide lethal aid to the two non-communist Cambodian factions to ensure that the Khmer Rouge does not re-emerge as Cambodia's dominant force.

The two factions, strongly backed by ASEAN, are led by Prince Sihanouk and former Cambodian Prime Minister Son Sann. The two groups together with the communist Khmer Rouge form the U.N.-recognised Coalition Government of Democratic Kampuchea.

Thai Foreign Minister Sitthi Sawetasila said in an interview with the English language BANGKOK POST Wednesday that Thailand would, however, oppose U.S. military aid to the non-communist resistance.

"We're on the brink of an agreement and giving lethal aid at this time is not in harmony with the changing circumstances," Mr. Sitthi said.

The ASEAN foreign ministers will also take up a host of economic issues and hold talks with the group's major economic partners—the United States, the European Community, Japan, Canada, Australia and New Zealand—from July 6-8.

ASEAN diplomats said proposals by Japan and Australia for an Asia-Pacific trade forum to step up economic exchanges would be discussed by the ASEAN ministers before being aired with foreign ministers of the two countries.

"Many questions on the proposal remain to be answered," a senior Malaysian official said.

ASEAN diplomats said the regional group would also seek greater access to Japanese markets and continue talks with Japan on proposals to reduce their debt burden caused by the yen's appreciation.

ASEAN To Ask for More Market Access
BK2806023989 Bangkok THE NATION in English
28 Jun 89 p 3

[By Kawi Chongkitthawon]

[Text] ASEAN countries are expected to call for more market access, an end to farm subsidies and smear campaigns against ASEAN tropical products when they meet leaders of the industrialized countries in Paris next month.

The six-page memorandum, drafted by Thailand, as chairman of the ASEAN economic ministerial meeting, will be screened and approved by ASEAN economic ministers attending a post ASEAN ministerial meeting in Brunei on July 6-8.

Leaders from the seven major industrialized countries of France, the United States, Japan, West Germany, Britain, Italy and Canada will meet in Paris on July 14-15 to discuss the world economy, protectionism, Third World debt problems, rates of foreign exchange and the outcome of mid-year reviews of the Uruguay round of General Agreement on Tariffs and Trade (GATT).

According to a senior Foreign Ministry official, the memorandum refers to all important economic issues which have a direct or indirect impact on the economic performance of ASEAN countries.

It explains ASEAN's concern that the ongoing trade disputes between various economic powers jeopardize the world trading system as well as that of developing countries, particularly ASEAN.

ASEAN also strongly condemns the protectionist measures still used by major industrialized countries, the official said.

The strong wording is directed at the Western countries' unfair campaigns against tropical products from ASEAN. The official said, without naming names, this is aimed at the US campaign against palm oil products from Malaysia, being perused [as published] at the urging of the US soybean farmers' lobby.

Relating to US-ASEAN trade and economic relations, the official said that ASEAN economic ministers are planning to hold talks with Carla Hills, US Trade Representative, in October in Bangkok on the ASEAN-US Initiative as well as ways to strengthen trade ties and lower the tariff barriers.

The memorandum also seeks to remind the Group of Seven industrialized countries that the free trade pact between the US and Canada and the concept of one Europe in 1992 should not "raise any barriers to trade with non-members".

The official said ASEAN will appeal to the seven countries for more research and development assistance in the years to come and calls for more cooperation to eliminate erratic foreign exchange rate fluctuations.

Japan

Agreement Reached With U.S. on Telecommunications *OW2806155989 Tokyo KYODO in English 1445 GMT 28 Jun 89*

[Text] Washington, June 28 KYODO—Japan and the United States Wednesday reached agreement on telecommunications trade, paving the way for U.S. firm Motorola Inc. to enter the Japanese car and mobile telephone market, the U.S. Trade Representative's (USTR) office announced.

The office said the agreement was initialed by Japanese troubleshooter Ichiro Ozawa, former deputy chief cabinet secretary, and U.S. Trade Representative Carla Hills.

A statement issued by the USTR said the U.S. no longer sees the need for sanctions against Japan in connection with the U.S. demand for the opening of Japan's telecommunications market. The U.S. had threatened to take punitive actions under section 1377 of the 1988 trade law unless Japan agreed to open its telecommunications market.

Under the agreement, Japan pledged to relax restrictions on controls over car and mobile phone services and so-called third-party radio communications—used mainly by delivery trucks—in Japan by foreign companies.

Japanese officials welcomed the agreement, saying favorable U.S.-Japanese relations could be maintained ahead of the Paris summit of the seven largest industrial nations next month.

The agreement was based on a final compromise proposal set forth by Japan Monday.

The U.S. side also made concessions to bring about the negotiated settlement on the issue.

The agreement left open the question involving allocation of frequencies to U.S. operators of car phone services.

Japan made clear that it would allot to an operator of the Motorola-based cellular phone system two of five radio channels necessary for service in the Tokyo metropolitan area out of 10 channels already given to an affiliate of Toyota Motor Corp., the three remaining channels have yet to be allocated.

Japanese officials anticipated a rough ride in negotiations with domestic telecommunications firms to secure the three channels for the expected newcomers.

MITI Official Comments

*OW2906063989 Tokyo KYODO in English 0620 GMT
29 Jun 89*

[Text] Tokyo, June 29 KYODO—The just-reached settlement of a Japan-U.S. dispute on telecommunications trade sets a good example for solving bilateral trade disputes, a senior official at Japan's Ministry of International Trade and Industry (MITI) said Thursday.

Yukiharu Kodama, MITI's administrative vice minister, also told reporters that the agreement will help Japan provide better services to its people in the information age.

Kodama, who assumed the post Tuesday, replacing Hiroshi Sugiyama, said the outcome of the agreement will eventually benefit the Japanese people as it would speed up advances in technological development here.

"If the talks between the two governments had broken off, it would have left both of us with very hard feelings toward each other," Kodama said.

For the settlements of bilateral disputes on three areas—supercomputers, satellites and forest products—where Japan faces possible U.S. retaliation, Kodama said he is hopeful that member nations of international organizations will support Japan.

He was apparently referring to a series of attacks directed at the U.S. over its use of the "super 301" clause by member nations of the General Agreement on Tariffs and Trade (GATT) when they met earlier in Geneva.

Mixed Reactions Reported

*OW2806162789 Tokyo KYODO in English 1453 GMT
28 Jun 89*

[Text] Tokyo, June 28 KYODO—Japan showed mixed reactions to an agreement with the United States for the opening of Japan's car and mobile telephone market.

Government officials expressed satisfaction with the agreement which averted U.S. sanctions against Japan over the issue.

The officials, however, expressed concern that U.S. distrust in Japan manifested in hard bargaining would affect a series of forthcoming bilateral negotiations on structural barriers to trade.

The agreement was the first to be reached on issues under the "super 301" clause of the 1988 U.S. omnibus trade act targeted at Japan.

The officials said the government would use the agreement as a model case for negotiations with the U.S. on other pending issues.

Officials in the Ministry of International Trade and Industry (MITI) were displeased that the negotiations on the telecommunications trade issue might set an example of Japan bowing to pressure.

Some industry officials, however, said they were worried that the accord set a bad example for future Japan-U.S. negotiations on other pending issues.

Kazuo Inamori, chairman of Kyocera Corp. who heads a rival of Nippon Telegraph and Telephone Corp., described the U.S. high-profiled posture as excessive.

Other industry officials said the agreement may disrupt the domestic market structure as Japanese telecommunications companies would be forced to make additional investment to make their services compatible with both NTT [Nippon Telegraph and Telephone] and Motorola systems.

The Japanese firms earlier anticipated the coexistence of the two difference telecommunications formats, one using the NTT system and the other the Motorola system.

Philippine Aid Meeting Set for 3 July

OW2806113889 Tokyo KYODO in English 0938 GMT 28 Jun 89

[Text] Tokyo, June 28 KYODO—Japan will host a World Bank-sponsored international meeting in Tokyo on July 3-5 to discuss a multilateral aid plan to help relieve the Philippines of its swollen debts, the Foreign Ministry said Wednesday.

Representatives of the World Bank, the International Monetary Fund and Asian Development Bank will send delegates to the session.

Japan, the United States, Britain, France, West Germany, Australia, Canada, South Korea and Singapore will participate in the meeting, the ministry said.

Foreign Minister Hiroshi Mitsuzuka will head a Japanese team comprising officials of the ministries of foreign affairs, finance, international trade and industry and the economic planning agency, officials said.

Secretary of State James Baker will represent the United States at the conference, the officials said.

Uno on Becoming 'Importing Superpower'

OW2806055389 Tokyo KYODO in English 0402 GMT 28 Jun 89

[Text] Tokyo, June 28 Kyodo—Prime Minister Sosuke Uno declared Wednesday that Japan will become an importing superpower to contribute to the world and to maintain healthy trade relations with other countries.

Uno made the remark at the 11th meeting on trade issues of top government officials, including International Trade and Industry Minister Seiroku Kajiyama, and business leaders.

The prime minister traditionally presides over the trade meetings, which started in 1954 as "export meetings" and were renamed in 1970 as "trade meetings" aimed at expanding Japan's imports.

In opening the meeting, Uno asked business leaders, such as Japan Federation of Economic Organizations Chairman Eishiro Saito, to help the government correct trade imbalances with other nations.

While welcoming the 50 percent increase in imports of manufactured goods last year, Uno encouraged business leaders to make further efforts to boost such imports.

In response, representatives of major leading companies asked the government to adopt a policy that would foster the expansion of domestic demand.

An additional government budget should be allocated for the promotion of imports, they said.

Among other requests made by the business leaders were a reduction of taxes on tobacco and liquor, and simplification of procedures necessary to obtain industrial licenses.

The prime minister said, in closing the meeting, that the government will push forward its plan to make Japan the "importing superpower" of the world.

To that end, Japan should maintain sustained economic growth with low inflation, Uno added.

Prime Minister Uno Holds News Conference

OW2606142489 Tokyo NHK General Television Network in Japanese 0600 GMT 26 Jun 89

[News conference by Prime Minister Sosuke Uno with unidentified moderator and reporters asking questions at his official residence in Tokyo—live]

[Text] [Moderator] Now we will begin Prime Minister Uno's news conference with the cabinet press corps. Because this conference is held at the close of the ordinary Diet session, our questions will mainly center around a review of the Diet session, the Uno administration soon to be 1 month old, toleration of Recruit-contaminated Diet members, the ethics of the prime minister himself, political reform, the House of Councillors election, as well as such foreign policy issues as the Paris summit, the China issue, and Japanese-U.S. questions.

However, yesterday the Liberal Democratic Party [LDP] sustained an unexpected setback in the Niigata House of Councillors by-election. So I will first ask you how you accept that.

[Uno] The Niigata by-election was held yesterday and, frankly, we lost by a huge margin. Of course, there may be many causes but, so far as I am concerned, I think we must, first of all, thank those who supported our party for the judgment passed by the voters in Niigata Prefecture, then humbly accept the result of the judgment on the basis of the principle of majority rule, and cope with the future.

[Moderator] Because I believe there will be various questions to be asked later regarding the causes of the defeat, I think we had better proceed with questions concerning the Diet session first.

[Reporter] From its outset the Diet session—shall I call it a Recruit session?—was stalled and followed by Prime Minister Takeshita's resignation and the railroading of bills by the LDP singlehandedly. Would you review this ordinary Diet session first?

[Uno] Well, to liken it to one's personal affairs, I think it may be safe to say that it was filled with exceptional cases. Of course, they all had their origins in the Recruit case and the Diet had various debates and deliberations on that. On some of the bills deliberations were not continued. Since the government party believed it to be its paramount duty to have the 1989 budget enacted and delivered to the people at the earliest possible date, the party had no other choice but to adopt it singlehandedly. But I hope that the Diet will be steered smoothly so that such a thing will not recur in the future. The fact that because of that affair my predecessor prime minister resigned was exceptional. I happened to be on a tour abroad at that time but I was called back home and installed as prime minister and party president. I think that this was also exceptional.

Once I took over the job, as there was only a short time left before the session closed, I wanted to do my best to steer the Diet through cooperation between the government and opposition. As you are aware, I had no time even to breathe or rest. I delivered my policy speech to the Diet, I answered the interpellations of representatives of all parties and I testified before the Budget Committee. In retrospect, I think it took me roughly a dozen days to fulfill my duty to the Diet as prime minister.

Later, I think it was thanks to cooperation between the government and opposition but everyone was surprised. People had said they were afraid that, in the case of that man [Uno], there might be no more than about 10 bills put on the agenda. But, thanks to the extraordinary efforts made by our party's Diet Affairs Committee and the cooperation of the opposition, 77 percent of the proposed bills were enacted in the end. This was also exceptional and I think it was the fruition of the Diet's eleventh hour efforts. Of course, I think someone will probably ask about it here, but the bill concerning Diet members is carried over to the next session.

[Reporter] Mr Prime Minister, we cannot deny the impression that the Diet session ended without shedding full light on the Recruit case. In addition, bills related to political reform, to which people paid much attention, were set aside for future discussions as a consequence. I think that people wanted the Diet to display its ability for self-purification with regard to the Recruit case and the current distrust in politics. However, their expectation was not met fully. In this context, I think that the responsibility of the ruling party, the Liberal Democratic Party [LDP], is very heavy. What do you think, Mr Prime Minister?

[Uno] As a ruling party, I think that the LDP has the heaviest responsibility. I think we should. Concerning the Diet, it made its utmost efforts to reveal the truth. During the Diet session, the prosecution completed its investigations. By concluding the investigations, we may say that the judiciary fulfilled its responsibility for settling the case. However, for the Diet's part, it still faces the problem of what it should do regarding this case. As you all know, I exchanged various views with Diet members related to this issue at final Budget Committee sessions of the House of Representatives and the House of Councillors. No end to our talks has occurred, and it was agreed that consultations would be continued between ruling and opposition parties. However, the government is not in the position to interfere in this difficult Diet matter. Therefore, I remarked at the Budget Committee sessions of both Houses of the Diet that the government would like to study what it can do to meet requests of the Diet within the bounds of the legal possibility. Please realize that these remarks are still valid. Before I became LDP president, it was said that Mr Takeshita quit his post as president of a company called the LDP—I do not know if it is proper to call the party a company—to assume responsibilities for various problems within the company. In addition, Mr Nakasone, former party president, even went as far as to leave the party. He now takes his seat in a section belonging to independents in the Diet room. I believe that these people have taken these measures to assume their responsibilities in this regard. Now, answering your question, I am not saying that I have drawn a clear line for myself in settling the case. Bills on political reform are to be discussed continuously in the future. I think that efforts should be made to have them passed through the Diet as soon as possible and to lead the people to think that things related to elections and political funds have been changed. On the other hand, the party has now set up its headquarters for political reform led by Mr Ito. The party will be able to assume its responsibilities in a clear-cut manner by having headquarters carry out middle-term and long-term programs. That is, the party can draw a line in this case by showing its determination and taking measures not to cause another Recruit case. This is what I think in this regard.

[Reporter] It will soon be 1 month since your government was inaugurated. What do you feel about it frankly?

[Uno] I have come thus far through constant consultations with my cabinet members and party members. During this period, I have never forgotten the fact that our's is a cabinet for reform and advance. We have to make advances while carrying out reform. We have to meet the people's desires and requests while implementing reform. Our reform is for making advances. I have worked thus far with this in mind. It is no exaggeration to say that I have thus far done my best. Is it permissible to leave the issue of unlisted stocks unresolved? We have tackled various issues although this is unexpectedly unknown to the public. In the Diet, discussions were held on what is called the founder's interest, which enables an enterprise founder to sell its interest at a handsome profit. Various arguments were conducted on this issue in the Diet. We heard arguments in the Diet regarding taking appropriate measures. As you already know, the commercial transactions law was amended and strict restrictions were implemented in this connection. I think that these measures indicate our determination to fulfill responsibilities by preventing a similar incident from happening again. Concerning the founder's interest, no taxes have thus far been imposed on it. However, they will be imposed from now. These things were handled in the latest Diet session although it was a tough session and we disposed of them through administrative measures. It is only a short time ago that my cabinet started, but it has carried out tasks called for in a prompt manner.

[Reporter] You have called your cabinet one of reform and advancement. However, the support ratings of the cabinet in polls conducted by various newspapers have been the lowest on record of those conducted for all cabinets. What do you think is the cause?

[Uno] I have always felt that such public opinion polls should be respected. Since charts reflecting the various analyses and opinions are attached to the surveys, I have in my own way studied these surveys. Many people have expressed their views, asking such questions as: Can political reform be truly achieved? Has a start been made with these reforms?

As is known, Mr Syuzo Hayashi [who served as chief of the Cabinet Legislation Bureau for years] who passed away not long ago was chairman of the Wisemen's Council, and the council submitted its recommendations. The guidelines of these recommendations have been rewritten by Mr Gotoda [chairman of the LDP political reform committee]. We have already carried out three of the seven recommendations dealing with the cabinet. I must say that since we did not have enough time we have acted only on three recommendations. The cabinet is still engaged in carrying out the other recommendations.

When the remaining four items are worked out as bills, they will include the revision of the election law, the revision of the law on political funds, and one dealing with political ethics and the disclosure of assets by all

Diet members. The LDP has worked these items into three bills and two of these bills have been submitted to the Diet. They were submitted to the Diet long ago. Fortunately enough, through the efforts of the LDP, these bills have not been rejected but will be subjected to further debate.

As for the third bill, it has not yet been debated at the Diet. However, its draft has already been worked out. When all this is taken into consideration, you will understand that all these seven items, including the wisemen's recommendations and the Gotoda committee's guidelines, point out what should be done promptly. We have acted on these recommendations in the way I have just mentioned. Yes, we have taken action.

In this connection, I feel that if no actions had been taken, there would be a lot to do. I certainly feel that the ruling LDP itself should tackle reforms with burning enthusiasm although my cabinet has not yet attained such enthusiasm. As I am eager myself, I will respect the public opinion polls, listen carefully to our people's voice, and make further efforts.

[Reporter] Mr Prime Minister, as you have just mentioned, political reforms are in progress now. However, while some party members propose the elimination of bad effects caused by the existence of factions, others argue that such action should be postponed. Thus, the party has failed to act in concert. In addition, there are other issues which are difficult to understand such as, Mr Prime Minister, your involvement with a woman. While the people know that such issues exist, they feel it very difficult to understand what they actually are. It has been pointed out that this phenomenon is reflected in the outcome of the by-election for the House of Councilors in Niigata yesterday. What do you think?

[Uno] Regarding the by-election held in Niigata yesterday, if we had lost by a narrow margin, I would think that our defeat could be dismissed easily. However, since we lost by such a large margin, we must take it seriously and find out the real cause of the defeat. In this connection, we must attach great importance to the views of the party's local prefectural chapter.

Frankly speaking, we had received various reports but did not think that our defeat would have been so serious. The opposition parties have certainly made strenuous efforts. Since we engaged in an election campaign against each other, I think that we should appraise their efforts.

However, as far as we are concerned, we must study the outcome carefully and prepare for the future. In this connection, at an executive meeting of both the government and the ruling party held this noon, I requested the attendants, including the three top party executives—the general secretary, the chairman of the executive council, and the chairman of the policy affairs research council—to make such preparations.

The issue of political ethics, I think. It is nearly 30 years since I was first elected to the Diet. During this period, I worked hard while respecting political ethics. As for various problems that involve myself, as you have just pointed out, I feel sorry that I have caused trouble. Questions concerning these troubles have been brought up at Diet sessions. As you already know, I have given my replies to the questions presented at the Diet sessions. In this connection, as far as I am concerned, I will continue to respect political ethics, cultivate my own character, and stand firm as prime minister and party president while keeping in mind the Japan of today as well as the Japan of tomorrow.

Of course, this involves my own problems. Since my post is filled with heavy responsibilities, I must keep in mind all the time that I must duly fulfill them. Naturally, I must bear the agony that comes with it. However, I have never regarded responsibilities or agony in terms of my own personal responsibilities or agony but as those as a prime minister and party president. For example, there has been the violent fluctuation of foreign exchange rates. This certainly constitutes an agony for one who shoulders responsibility to the nation. Even though this fluctuation involves speculation by others, I must regard it as my responsibility. Moreover, there was the case involving the murder of a young girl not long ago. I wanted the murderer to be arrested quickly. As the nation's supreme responsible person, I feel that I should fulfill my responsibilities and continue to do my utmost for the nation.

As for the questions that you have brought up just now, I think that I have given sufficient explanations in the Diet, which I regard as the most important place for doing so.

[Reporter] You just said that sufficient explanations have been given in the Diet. Regarding your involvement with a woman, Mr Prime Minister, you have said that you would rather not answer such a question in public and that you have not acted contrary to morality. Those are the explanations you have given. On this occasion, don't you have any intention to make a refutation, such as by giving the related facts, or to state your views again so that our people can understand the problem more easily?

[Uno] As far as I am concerned, since I have stated my views on the issue when it was brought up at the Diet, I am not in a position to make any further comments on it. You might ask me about my personal views. But even with regard to my personal views, I must stick to my position as a public person. I request your understanding of my position.

[Reporter] As chairman of the Headquarters for Promotion of the Comprehensive Settlement of Women's Problems [of the LDP], which is designed to improve women's social status, you have received an open message from related organizations concerning the facts that have

been reported, asking you to clarify the reports for the sake of raising women's social status. How are you going to answer the message? On this occasion, as a public person in your position as chairman of the Headquarters for Promoting Comprehensive Settlement, will you clarify this point?

[Uno] Well, concerning this point, I think that I certainly must give a definite answer. I feel that the answer I have given just now was a definite one.

[Reporter] Mr Prime Minister, it has been said that the Niigata by-election was affected by this issue involving a woman. In the upcoming election for the House of Councilors, the opposition parties are expected to focus on this issue. Do you have any further measures to specifically deal with this issue?

[Uno] As far as I am concerned, I understand quite well what the problems were that may have led to the defeat in the Niigata by-election or what issues have been criticized during the Niigata election campaign. Therefore, I would like to listen carefully to the voice of the local people.

[Reporter] We would like to ask you a question on an issue of great importance. It concerns political reform, which has been mentioned before. It is nearly 1 month now since your cabinet was inaugurated as a cabinet of reform and advancement. However, in reality, there does not seem to be any advance so far. As someone pointed out, the vital issue concerning factions still exists within the LDP. In fact, there seems to be some retrogression. Under such circumstances, it has been observed that without considerable capability to lead the party on the part of the prime minister, political reform cannot be achieved. It seems that such questions as to whether or not the prime minister has the basic capability to lead the party and whether or not political reform can be carried out have been raised. How do you plan to deal with this issue?

[Uno] First of all, let me talk about our party. The Headquarters for the Promotion of Political Reforms has been set up. Mr Ito has been appointed chairman. And Mr Gotoda, whom I call Mr Political Reform, has been selected as acting chairman of the Headquarters. The four top executives of our party have been appointed vice chairmen. Besides, seven other top party executives have been assigned to appropriate posts. Thus, I feel the best lineup has been worked out. I also feel that I myself and this Headquarters for the Promotion of Political Reforms can now work together effectively. Today I attended various meetings together with Mr Ito and other top executives. Mr Ito has made similar remarks at the meetings. In this connection, I would like to ask you to understand that the LDP will promote fundamental political reforms through intraparty cooperation.

Another issue deals with the faction problems. For instance, it was reported the other day that a party would be given for a faction. Regarding this problem, I gave them a warning. As a result, the party was canceled. If someone should merely take this point into consideration and say that the prime minister and party president does not have any influence, then I would have to reflect on myself. However, since a decision was soon made to cancel the party, I think it was a great achievement.

Moreover, all my cabinet members have withdrawn from their respective factions. The other day, one cabinet member talked about the need of factions and another one expressed his unwillingness to withdraw from his faction. I also gave them warnings. There seemed to be some misunderstanding. Then, the cabinet member involved gave a press conference himself and corrected his statement, and you have made reports in accordance with his corrections. Since you have paid attention to the remarks of one or two members of my cabinet, I feel it is even more important to carry out political reforms. And as I have just mentioned, the political reforms will be carried out not from a weak foundation but from a strong one.

[Reporter] Then, in connection with the political reforms, I would like to ask you a question on the election system. At present, our people have strong criticism of the constituency system, the total number of dietmen, the representational imbalance, and the size of the House of Representatives and the House of Councilors. First, I would like to ask, Mr Prime Minister, your views on these issues.

[Uno] The House of Representatives has already adopted a resolution on one of these issues. That is, prompt actions should be taken to correct such issues as you have just mentioned, including the representational imbalance and the constituency system. A resolution has already been adopted on settling these issues. At the House of Representatives, there is a council on the election system which is concerned with the rules and administration. I feel that these issues should be debated at the sessions of such councils at an early date. Frankly speaking, concerning the draft bill for revising the election system which is still under discussions now, punitive provisions have been duly worked out on preventing those people other than the dietmen themselves or their spouses from accepting various gifts on ceremonial occasions such as coming of age, marriage, funeral, and ancestral worship. Since this issue is being taken up now, [words indistinct].

However, there is another issue on how to deal with the basic plan of setting the total number of representatives at 471. And also concerning the constituency system, there is the problem as to whether large, medium-size, or small constituency system should be adopted. According to those who prefer the small constituency system, for example, if a medium-size electoral district from where five dietmen are to be elected should be divided into five

small districts from where only one dietman will be elected, the campaign could be carried out in a less expensive way as the spending would amount to only one-fifth. And if the number of the candidates decreases, they will have more chances to talk to their constituents about their policies. I agree that there are several advantages such as these. However, there are also concerns that it would be difficult for new candidates to run in a small constituency.

As far as I myself am concerned and also in my capacity as the prime minister, I cannot say whether it would be better to adopt the large, medium-size, or small constituency system, because the research council for the election system will commence its work soon, with its first session scheduled for 28 June. I stated my views clearly at a Diet session held the other day.

This may be a long-term objective and I have talked with Mr Ito on this. We will greet the centennial of the Diet next year. We would like to set this centennial as a target year for vigorous promotion of political reforms, and naturally the political fund system should also be reformed. I would like to promote reforms in this way.

[Reporter] In this connection, I would like to ask a question concerning political funds. I think based on the Recruit experience, during the discussions of the Research Council for the Election System, there may be suggestions to shift the weight of political donations from companies to individuals. What do you think of this?

[Uno] Looking at the advanced countries, there are many which banned company donations and turned to individual donations. I think that is a clever way of doing things. However, at present, in Japan, it is deemed that companies are also a social entity. Companies need to conduct various activities. Thus, at this point, I would not like to prohibit all company donations outright. However, other advanced countries have turned to individual donations and other measures and are persevering in their efforts. The question of how individual donations can be obtained is another issue which needs to be studied. The reformist parties are also saying that company donations should be banned. But how about labor unions? They say labor unions are okay. Thus, I somehow cannot agree completely with such an idea. Nevertheless, in the long run, I heard that one of the things the Research Council on the Election System is considering is to introduce public funds into political parties. I do not know where such discussions will lead. In that case, some people say: Why not draft a political parties law? I do not know how will that be. In the meantime, there will be changes. That is what I feel. Thus, at this point, we would like rules on political funds, such as a limit for funds collected at fund-raising parties; beyond that limit, a proper accounting statement will have to be submitted by a political organization. Things like that, for the meantime—I would emphasize,

for the meantime. Things like fund-raising parties, political funds—the limit of which used to be how much? Y [yen] 1 million. Now the proposed limit is Y600,000. Above that, names will have to be published. Proposals for strict regulation have been submitted. This issue will be a major item in the agenda of Mr Ito's Political Reform Promotion Headquarters. Above all, the government's Research Council for the Election System will be convened for the first time in 17 years. As you know, the body has been dormant for a long time. I examined the reason why it has been dormant and found out that it was because representatives of the various parties were present. These representatives voiced the demands of their respective parties. This resulted in a so-called battle of speeches. It failed to function no matter how many times it was convened. Thus, it remained dormant for 17 years. I thus demanded that this battle be halted as now is an important time. I want the body to provide advice regarding mid-term and long-term programs, not to speak of a short-term program, and also regarding political funds, the election law, the election system, constituencies, and the number of Diet seats. I know that members and chairman of the body are in good spirits. They pledged to work hard, and I, of course, encouraged and asked them to do so.

[Reporter] My question concerns the research council. As you just said, representatives of various parties were present in the old council, causing a delay compared with the present council. However, the failure to resume the council meeting for 17 years is also attributable to the doubt as to whether various parties can put into practice the conclusions drawn in their talks. Particularly, it was said that the ruling party had no desire to implement them. Some people view that all this caused members of the research council to lose their interest and desire to work. I understand that at this moment it will be very difficult for you to recount merits and demerits of the old and new councils. However, I would like to know one thing for certain. When conclusions are drawn, can you give your word that the ruling party will completely put them into practice on its own responsibility?

[Uno] Of course. I have heard a lot of things. For example, in the United States, there was the Watergate affair. It started with a mere incident of bugging but turned into a terrible affair. After that, politicians and political parties thought: We must plunge a scalpel into the election law, political funds, and all other mechanisms to prevent a recurrence of the incident, and it was done. I heard that after that, very strict regulations were formulated. There have been numerous cases which show us what to do under various circumstances. I believe that as for the present Recruit incident, we must also think that way. The people have been telling politicians to start again from scratch. This is precisely the chance we have. It will be wrong if we forego this opportunity and lose all that has been gained so far. That is why both Mr Ito and Mr Gotoda, and the four key LDP officials, are full of enthusiasm. I think that is the way to look at it. Needless to say, I intend to take the

lead. Since I was the one who requested recommendations, when they are presented I will respect and implement them. I would like to stress this point.

[Reporter] On elections, I would like to ask a few questions. First, on the Niigata elections. At this point, what do you think are the causes for losing that election—although you said earlier that you are still looking into them? Second, as a result of this, the LDP is expected to face a very tough fight from now on. There is concern that an avalanche phenomenon may occur. In the coming upper house elections, what election promises does the prime minister intend to make and what will you focus on in the campaign? What are your plans to tour the localities? It is also said that there have been clamors for a review of the overall strategy for the upper house elections inside the LDP. What are your views on this?

[Uno] You asked for a brief answer to the question of what are the causes or factors of the defeat. As you were asking the question, I thought of how to answer the question. I think the set of three items which you mentioned in the press may be one way of looking at it. In agriculture, we have departed completely from the bilateral framework of the United States seeking liberalization and Japan responding to it, and made this a multilateral issue. I think that was a result of the government's efforts. In particular, with regard to rice, there is a Diet resolution. Some say they will respect it, some say they are opposed to it. We will respect it. Furthermore, when it comes to rice—I was reprimanded for talking too long in a previous news conference, so today—as I said, there is the question of security and there is the view that it is the basic food item. Our representative explained this fully at the Geneva meeting in April. We intend to protect rice vigorously. Therefore, in the recent Diet session, we decided to maintain self-sufficiency in rice. We are saying this. However, looking at the election results, I think it seems that farmers are also defecting from the LDP. Actually, I have asked the agriculture minister to come to me tonight and I will personally seek his views on future policies.

In general, there is the issue of the consumption tax. There is no need to reiterate now that is necessary for our aging society. However, we need to heed the voice of the common folks. I have been saying this. From the standpoint of a housewife, there is tax included in the price and tax excluded from the price; when the selling price excludes tax she feels that we are paying taxes everyday. It seems that that is one of the major reasons for the opposition. Voices from various sectors seem to be saying this. In that case, the issue will be whether prices displayed should include tax or not. There are people who say that pricing by excluding tax is better. If you ask why is it so, they say, take for example vegetables and other farm products which are auctioned at the market. If prices included tax, no one would make a bid taking the 3 percent tax within his calculation. In the case of auctions, tax being excluded from prices makes

taxation rather clear-cut and leaves no room for sentimentality. That is the view of some people. Looking at things in that way, I, as the prime minister, cannot say which is good and which is bad. We listen to various views. The Tax Research Council should also listen and start doing some studies. That has been my request. The study group of the Tax Research Council will start functioning this coming 28 June.

In particular, tax free shops are the subject of much controversy. As you know, it is written [in the proposed LDP platform for the coming upper house elections] that the question of tax free shops will be reviewed. The words tax free shops are not specified, but there are the words various measures. The limit is currently Y30 million. Small- and medium-sized establishments are doing business faithfully keeping to that provision. When it comes to the question of amendments, an opposition party member demanded changing the limit to Y20 million. That is what the debate is about. I must also say that there is also a need to say: that is not what we mean. There is such an aspect. As to amendments, I believe that it will be alright to amend certain points. It will not be appropriate for me to say this and that now. I hope the government's Tax Research Council will listen to the people's views and work hard. I will say so in my remarks on 28 June. Of course, the party's tax council will also move simultaneously.

Yet, it is a fact that the consumption tax is gradually taking root. Thus, we cannot simply say we will abrogate the tax. We have to make the tax take root gradually and prepare for the aging society in the future. While seeking understanding of this point, we will ask people all over the country: since this is a unfamiliar tax, which aspect of it is undesirable? which part of it is perplexing? I had advised the former prime minister to set up numerous complaints bureaus all over the country, which he did. Their number is continuously being increased. Various problems are handled there. On our part, with various views being relayed to us, the government's and LDP's tax councils will deliberate various issues based on such views.

[Reporter] On your schedule for touring the localities and the amendments...[changes thought] I have just asked my questions.

[Uno] Ah, speech tour. I have already received many requests from various prefectures. Thus, rather than talking about it here, I will follow the party's schedule for speech tours. During that period, there will also be many international events. Mr Baker of the United States will be coming. I would certainly like to meet him and talk with him. Many things need to be done. I will also have to study, in preparation for the summit. I told them I will do what is physically possible on my part.

[Reporter] Regarding the upper house elections. Fifty-four seats constitute the majority. Within the LDP, there are already alarmed predictions of the party gaining only 40 or so seats. Some people also seem to be saying that if

there is a crushing defeat, the prime minister will have to assume the responsibility or resign. Mr Prime Minister, at this point, where do you place your target?

[Uno] Rather than talking about the target, I believe that the economic and social stability achieved under a very stable political environment, and foreign countries have come to have confidence in us, is a very important thing. In case the direction of the wind changes or the foundation changes...[changes thought] This, I hope the people will make their judgment calmly. Our country have persevered to this date under a free society and a free economy. A country with very little resources has accomplished this much. Of course, we owe this to the people's efforts. Under the world system of free trade, we have also been able to conduct our activities fully. This was also due to the stability of the political regime. I would like to seek understanding on this. In this sense, I always believe that stability is desirable for both lower house and upper house. I am not thinking of how many seats, or how many seats will be good or bad, at all. I believe we must exert all possible efforts to achieve stability.

[Reporter] Depending on the outcome of the Upper House elections, regarding the political schedule after that, for instance the calling of a special Diet session, when the political reform bills can be formulated. There is also the question of the proposed budget. The political schedule in terms of domestic politics... Furthermore, also depending on election results, the opposition parties led by the Japan Socialist Party [JSP] will naturally demand dissolution of the diet and general elections. Certain people in the LDP have mentioned dissolution before the year ends. Please talk about your political schedule hereafter, including the question of Diet dissolution and general elections.

[Uno] I would like to talk about the issue of [word indistinct] which you mentioned in the first part of your question. The financial situation is still not good. I believe that the starting point of the proposed budget for fiscal 1990 will have to be that there will be strict criteria set for budget requests. I will be leaving for the summit on 13 July and I would like to see a decision on this made during the cabinet meeting on 11 July. As to the question of what is to be done, I think it will be better for me to spell out the details during the cabinet meeting.

Next, on several issues which you have just mentioned. Of course, deliberations on two bills relating to political reform will be continued. One more bill is left, that on the publication of assets of all Diet members. I would like to see deliberations on such bills. For that purpose, a special Diet session will have to be held this autumn so that full deliberations can be conducted and the bills can be passed. In that sense, at this point, I am not thinking of dissolution of the Diet.

[Moderator] Now we will ask questions on the summit talks and diplomatic issues. Are there any questions related to issues brought up thus far?

[Uno] Well, I would like to mention an important thing, that is, the Chinese question, here. May I mention it?

[Moderator] Questions on that issue will now be asked.

[Uno] Please ask questions.

[Reporter] At the summit talks, the Chinese question will naturally become an important focal issue. The position of the United States and European countries is quite different from that of Japan, making it very difficult for Japan to handle this question. It is said that the Chinese issue will be mentioned in the political declaration of the summit talks. What is Japan's basic response and attitude on this issue?

[Uno] Unlike the United States and Europe, Japan is a neighboring country to China. This is the way Japan is thinking. To answer your question, I would like to explain my way of thinking about the current Chinese issue. It is unforgivable from a humanitarian viewpoint that the use of force by the military caused the loss of many lives, a heartbreaking development. This is indeed regrettable. I already expressed this position at the Diet. I also said that the ensuing tightened control and punishments against students and ordinary citizens by the Chinese Government—even if they are part of China's domestic problem—was somewhat incompatible with the values of our country, which pursues the ideal of democracy. A new leadership has been established in China, indicating a settlement of its domestic situation for the time being. I want the Chinese Government to fully realize the importance of its status in international society, particularly its role to be played in the Asia and Pacific region, and I expect it to lend ears to international opinion and follow the spirit of coordination and self-restraint in handling its domestic politics. As I have said, China is an important neighboring country, and our relationship with China is one of the pillars of our foreign policy. Keeping this basis in mind, Japan will carefully watch the position of the new Chinese leadership and study measures to respond to the Chinese situation. This is the formal position of the Japanese Government. I would like to attend the summit meeting on the basis of this position. In some respects, the U.S. Government has become considerably milder in its position, compared with its utterances at the beginning. The summit meeting is a forum of full and free talks. We still have time to watch the moves of China. Watching them, I would like to attend the summit meeting on the basis of the position mentioned above.

[Reporter] In this connection, I would like to ask a question on economic cooperation with China. There are two forms of cooperation—intergovernmental and privately-based. Concerning the second yen loans to China amounting to 470 billion yen, Premier Li Peng—when he was visiting Japan in April—asked for 971 billion yen through 1-year prepayment [of the third yen loans]. Will the current situation in China cause a delay in those

loans? I also would like to hear your comment on the early return of private firm workers to China. There is international criticism that they returned too early.

[Uno] About 4,000 employees of private firms returned to Japan. Of them, some reportedly returned to China. I know there is criticism that their acts are too nakedly economical. The minister of International Trade and Industry issued a quick warning that they should be careful not to invite such criticism. The fact that China is a precious neighboring country does not mean that we are allowed to act solely for commercialism toward China. They are two different things. In this context, I would like to ask them for self-restraint on such behavior. Both sides, however, have their own positions. The Chinese side has recently been asking for continued business in earnest. The positions of Japan and that of China—that of the Chinese Embassy—are quite clear. They have a system through which they can directly express their views to each other. While maintaining this system on the one hand, we would like to try not to invite world criticism. Now, concerning how to handle the third yen loans and how to conduct future economic cooperation with China, I intend to continuously study the issue with prudence. That is what I am thinking in this regard for the time being.

[Reporter] You just mentioned the Chinese issue in connection with the summit meeting. What is your view on the new Chinese leadership? Furthermore, this may be a repeat of the preceding question—how will the Japanese Government cope with the new leadership?

[Uno] As I said, it is a good thing that the new leadership has been established and the situation has been settled for the time being through the efforts of the new leaders. It is good that normalcy has been restored. We hope that troops will disappear from Tiananmen Square and, at the same time, that China will not be isolated internationally. This is our invariable hope. We are still short of knowing fully about the members of the new leadership. Therefore, I would like to decline to comment in this respect.

[Reporter] The summit meeting will be held next month. What subjects do you think will be placed on the agenda, and what is Japan's basic position on them? I also would like to know what you hope in this connection.

[Uno] Various economic matters were discussed at a recent meeting of the Organization for Economic Cooperation and Development [OECD], which is called the pre-summit. Therefore, I think that ideas formed in this meeting will provide a central guideline for the summit talks. During the summit talks, France will happen to observe the 200th anniversary of the French Revolution, and I think that French President Mitterrand, who is to preside over the summit talks, will want to deepen the significance of the anniversary by holding various events. Therefore, the president will likely seek subjects suitable for humanitarian slogans—Liberty, Equality,

and Brotherhood—called for in the French Revolution. Mutual coordination and cooperation will be stressed with regard to economic issues. I think this is good. For the time being, I think there will be no conflicts among attendants. I think that environmental issues will be brought up as a common concern of mankind. I think these issues are important. The issue of CO₂, the consequent greenhouse effect on the earth, and freon gas and its destructive effect on the ozone layer will be discussed. In addition, I think that what advanced countries should do to preserve tropical forests will also be brought up as a subject. President Mitterrand recently presided over an environmental meeting in Brussels. Japan will also open a world environmental meeting in Tokyo in September. Issues related to the health and sanitation of mankind and various other common tasks will be taken up as big issues at the upcoming summit talks. Therefore, Japan will actively cooperate in these various areas. It is said that Japan is responsible for the problem of tropical forests. This is, however, not true. The practice of burning away fields for cultivation is prevalent among farmers and this is responsible for the problem. A large number of fields are burned away every year at a faster pace than planting of trees. Poor farmers cannot help but resort to this practice to earn their food. We should consider this fact. At the same time, we should consider the sovereignty of the country involved in this practice. We should not ask such a country to sell lumber in disregard of its sovereignty. Some countries, however, want to sell these trees to improve their finances. We face all these problems. Therefore, I think that we advanced countries should think about what we can do to cooperate in addressing these problems.

[Reporter] Do you have any concrete plan about the monetary question?

[Uno] When he toured the ASEAN nations, my predecessor prime minister [Takeshita] said that only God knows how the exchange rates change. [laughter] I quite agree with him. Stability is most important and wild fluctuations are most undesirable. I asked the finance minister who manipulate such wild fluctuations and he said that it is done by speculators. So, naturally we must take counter-measures. The Group of Seven meets somewhere and, if they do not meet, they keep in touch with one another by telephone. At present, the yen has become quite strong for the time being. I believe it will be very good if it tends to become more or less stable. Therefore, although this is a very tough issue, our government will strive to stabilize the exchange rate through consultation and coordination with friendly countries. I believe this is the position of our government.

[Reporter] Since the monetary issue was brought up, I wish to ask you about the trade issue as well. To date, the trade issue has been discussed mostly in the diplomatic arena. Recently Americans have pointed out that the benefits from Japan's huge exports and earnings are not returned to the people. They ask if Japan is a very good country to live in, and they answer: No. Telephone and

electricity charges are high and airfares are the most expensive in the world. They say Japan exports household electric appliances and even cameras at cheap prices and then reimports them. Under these circumstances, there are areas which are not convincing to the people. If our tolerance contributes to improving international relations, we can keep tolerating, but our tolerance is only leading to a gradual deterioration of international relations. This is what the people are saying nowadays. In this connection, do you have any plan to work out measures, making searching inquiries into this area? [Uno] You raised a very good question and I listened to your question attentively. Naturally a trade surplus nation should think of ways of reducing surplus. To this end, we should increase imports by effecting continued growth unaccompanied by inflation and cut back surplus through imports. This is one way of thinking and, as a matter of course, Japan should continue striving in this area in the days ahead, too.

For its part, however, because it is a deficit country, the United States should pay attention to increases in imports. The United States is supposed to expand exports and, if it ends up in expanded imports and thus increased deficits, it will not do. Therefore, as I always advise the United States, the United States should increase the savings rate. I think it will be a good way for the United States to prevent imports from increasing by increasing the savings rate, instead of people buying everything.

In the meantime, Japan increases imports but the benefits do not go to the people at all, they say. In this regard, I said at a recent Cabinet meeting that we should carry out administrative reforms. Deregulation is one of them. Because there are regulations, there are government officials holding out there in office. Japan has now become such a big nation capable of dealing with advanced nations. Then, the Japanese nation, I say, can do without being subject to regulations. In old days we walked with a lighted lantern because we did not know where we were going. But, today we can walk alone. Now, there still are regulations as well as approval and licensing procedures. When I headed the Administrative Management Agency, I plunged a scalpel thoroughly into the approval and licensing system. In this regard, if cheap goods are imported and if they go directly to national consumption at cheap prices, consumption and imports will expand. The cheaper, the more. To this end—in answering your question—I think that the easing of the approval and licensing procedures and deregulation are two of the important steps. This is a task I want my cabinet for reform and advance to continue to tackle, and that is the reason why I am saying I will carry out fiscal rehabilitation and administrative reform simultaneously.

This issue was raised at the summit as well. Last year, Japan's imports from the United States increased by approximately \$10 billion and the U.S. deficit decreased by \$5 billion. The amount, \$10 billion, is equivalent to

the annual U.S. exports to France. Japan strove and increased its imports from the United States by that much. This is what I pointed out frequently. I asked them: Has Japan not helped the United States reduce its deficit by \$5 billion? I appeared on U.S. television in France recently and mentioned that. I say Japan will strive in such concrete ways. However, I understand that Japan's exports are on the increase again this year. [laughter] So, I think we will have to continue striving more cautiously with regard to the trade issues which you raised just now.

[Reporter] My question veered away from foreign policy issues. At your last press conference immediately after your inauguration, we could not ask you because there was no time. It is a question we ask every prime minister soon after his inauguration. It is namely the prime minister's view of the constitution and the Yasukuni shrine issue. What is your basic view of these two issues?

[Uno] Under Article 99 the Constitution has provisions stipulated on the Emperor, the crown prince and all others. It stipulates that the prime minister, ministers of state as well as members of the Diet have obligation to uphold the constitution. Therefore, I will respect and uphold the constitution. Under this most important supreme law, I think that in the 44 years since the war we have built Japan into a wonderful country as peacefully as sought by it. You may understand my position that way.

Regarding the Yasukuni shrine issue, it is a question to be raised now. [It is customary for Cabinet members to visit the shrine on 15 August each year, the day when the Pacific War ended] To talk about myself last year when I was foreign minister, I took the liberty of being excused from paying a visit to the shrine. As a matter of course, our neighboring countries hold various views about it. Out of consideration for their feelings, I took the liberty of not paying a visit there when I was foreign minister. I believe this issue will be raised now and I will fully consult with my Cabinet and the party on this issue.

[Moderator] Our time limit is almost up. If you have any more questions irrespective of whether they are domestic questions or foreign policy issues, please go ahead. [silence] You have no questions? Well, this concludes the prime minister's press conference today. Thank you very much.

[Uno] Thank you very much.

Abe Expresses 'Continued Support' for Uno
OW2906115189 Tokyo KYODO in English 1046 GMT 29 Jun 89

[Text] Tokyo, June 29 KYODO—Foreign Minister Hiroshi Mitsuzuka on Thursday paid a call on Shintaro Abe, the former secretary general of the Liberal Democratic Party (LDP), who left hospital the previous day, a top-level government official said.

Mitsuzuka, in a 20-minute meeting at Abe's home, found the powerful politician to be in good condition and having gained weight, said the official speaking on condition of anonymity.

Mitsuzuka, who is one of the closest associates of Abe, nominally left Abe's faction, one of the four major power blocks within the ruling Liberal Democratic Party, after joining the cabinet on July 2.

All cabinet members and senior party officials have quit factions they belonged to in line with a package of political reform proposals adopted by the LDP.

Abe, who doctors said underwent an operation to remove gallstones, was released temporarily from Junendo University Hospital on Wednesday evening.

Abe, 65, who served as foreign minister under Yasuhiro Nakasone and as LDP secretary general under Noboru Takeshita, is widely cast as prime minister-in-waiting.

Abe urged Mitsuzuka to exert himself in campaigning for the July 23 House of Councillors election, the official said.

Abe told Mitsuzuka that the coordination achieved by Japan and the United States of their basic stances toward China was the fruit of Mitsuzuka's diplomatic efforts, the official said.

He said Abe also expressed his continued support for Prime Minister Sousuke Uno, who was reported to have hinted at resigning because of his involvement in a geisha scandal. Uno denied the press reports on Wednesday, describing them "absurd."

The top official said that foreign reaction to Uno's womanizing scandal is not likely to be so intense that women sumoiteers "will not want to be seen sitting next to him."

North Korea

North Accuses South of Firing Inside DMZ
SK2806114989 Pyongyang Domestic Service in Korean 1100 GMT 28 June 89

[Text] The South Korean puppets committed a grave military provocation

The South Korean puppets committed a grave military provocation of firing large-caliber machineguns at our side's guardpost inside the DMZ, south of Pyongyang, in the central sector of the front today.

Toady, at around 1518 [0618—GMT], the South Korean puppets had rascals armed with large-caliber machineguns take a position and fire many rounds of pinpoint shots against our side's civil policemen when they appeared at their post to perform their duties.

Because of the provocative firing activities by the South Korean puppets, the lives of our side's civil policemen, who were on normal duty, was gravely threatened and the equipment of the post was destroyed.

It is entirely thanks to the great patience and self-restraint of the civil policemen of our side that this incident, which took place along the Military Demarcation Line [MDL], where armed personnel of both sides are directly confronting each other, did not expand into an armed conflict.

Such military provocations, which the U.S. imperialists and the South Korean puppets have committed one after another in the seas and in the areas around the MDL, are deliberate and premeditated maneuvers aimed at deliberately aggravating the situation on the Korean peninsula by stirring up distrust and confrontation between the North and the South.

The U.S. imperialists and the South Korean should look squarely at the consequences of reckless military provocation and should act with discretion.

Commentary Denounces Upcoming Security Meeting
SK2706124289 Pyongyang Domestic Service in Korean
1150 GMT 23 Jun 89

[Commentary by station commentator Son Yong-il: "An Intolerably Wicked Plot"]

[Text] According to news reports, the so-called 21st annual security consultative meeting will be held in Washington, the United States, between the U.S. imperialists and the South Korean puppets beginning 17 July and ending on 19 July.

Announcing this, the puppet Ministry of Defense said that this meeting, to be attended by high-ranking officials in charge of security and diplomatic affairs from both sides, including the U.S. secretary of defense and the puppet minister of defense, is expected to lay the main stress on discussing the issue of increasing South Korea's share of so-called defense expenditures.

In other words, the so-called issue of increasing South Korea's share of defense cost means making the puppets bear a greater share of costs for the stationing of the U.S. forces occupying South Korea. People cannot help paying keen attention to the fact that the U.S. imperialists and the puppets are planning to discuss this issue as an important agenda item in a confabulation designed to accelerate war preparations against our republic.

As is known, it has now become a trend to withdraw foreign troops from other countries. The U.S. imperialists, however, instead have embarked on a path of increasing and modernizing the aggressive forces in South Korea, while repeatedly making open remarks that they have no intention to either withdraw or reduce their forces that occupy South Korea. In addition, even the South Korean

puppets have often begged for the continued stationing of the U.S. forces in South Korea, and are now intensifying the preparations for a war of northward invasion together the U.S. imperialist forces of aggression.

The so-called issue of forcing South Korea to bear a greater share of defense expenditures is premised on continuing the occupation of South Korea by the U.S. imperialists forces of aggression and on intensifying war preparations based on the continued occupation.

This is by definition a challenge to the aspirations of the Korean people for peace and peaceful reunification as well as an act swimming against the trend of the times.

What is more, it is a double brigandish act that the U.S. imperialists, while sitting on the one half of some other country by the use of force in order to realize their aggressive goals, squeeze out expenses from it to fund the stationing of their occupation forces. In other countries where they keep their aggression forces stationed, the U.S. imperialists pay the host countries the cost of leasing military bases. In South Korea, however, they have for years imposed upon it an enormous amount of expenses for keeping the occupation forces there.

Not content with this, they plan to impose upon the puppets a greater share of expenses for the stationing of their aggression forces by seizing the annual security consultative meeting scheduled for next month. What shameless and arrogant aggressors they are!

Judging from this single fact, one can easily see how insignificant a pushover the U.S. imperialists are making of South Korea in imposing their demands on them.

Meanwhile, the puppet No Tae-u group has not only entrusted the whole of South Korea to the U.S. imperialists as a military base, but it also pays the cost of stationing the U.S. imperialist forces of aggression that occupy South Korea, rather than getting paid the expenses for their use of military bases. This can be said to be akin to such a brazen-faced act as paying a robber for his accommodation expenses in order to keep him in one's house.

The amount of money that the puppets had to pay for last year's cost of keeping the U.S. forces in South Korea is said to be somewhere around \$2.219 billion. This means that the puppets paid nearly \$50,000—40 million won in South Korean currency—for every one of the U.S. imperialist troops of aggression that occupy South Korea, a figure that amounts to the annual salaries of several dozen South Korean workers.

Even regarding the demand for an increased share of expenses that the U.S. imperialists plan to raise in the annual security consultative meeting, the No Tae-u ring shows signs of complying with it. While ignoring the demands of the South Korean workers, who call for raising the starvation wages that are below minimum

living costs, and terming their demands as being too excessive, the No Tae-u ring is not only unconditionally yielding to the demands of its masters, no matter how brigandish they may be, but it also begs for the continued stationing of the occupation forces by going to such extra lengths as offering them wads of money squeezed out of the people's sweat and blood. What a bunch of gutless traitors who are so ingrained with a way of thinking submissive to the United States!

Even though the puppets prattle about national self-respect spirit, what they do is, from start to finish, only to honor and defend the interests of their U.S. masters at the expense of their own people. That such traitors are among our own people is nothing but shame to the entire nation.

As long as the U.S. imperialists' military occupation of South Korea and their colonial rule there continues, and as long as such a traitorous group of traitorous slaves as the No Tae-u ring that carries favor with and gives in to the U.S. imperialists remains in power, the South Korean people will never be able to free themselves from national shame and suffering, nor can they achieve national peace and peaceful reunification.

Reality requires that the South Korean people stage the anti-U.S. and anti-puppet struggle more tenaciously and courageously. Under no circumstances will all our fellow countrymen condone the criminal plot that the U.S. imperialists and the puppets plan to hatch in the annual security consultative meeting.

WPK-CPC Holds Meeting on Nonalignment
SK2706154389 Pyongyang KCNA in English
1505 GMT 27 Jun 89

[Text] Pyongyang June 27 (KCNA)—A joint meeting of the Political Bureau of the Central Committee of the Workers Party of Korea (WPK) and the Central People's Committee (CPC) of the Democratic People's Republic of Korea took place here on June 27, presided over by the great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea. A communique on the meeting was made public.

It says:

The joint meeting discussed a series of problems regarding the Non-Aligned Movement with the approach of the 9th summit meeting of non-aligned countries.

At the meeting the great leader Comrade Kim Il-song, basing himself on a scientific analysis of the present international situation, made an important concluding speech concerning problems of principle arising in strengthening and developing the non-aligned movement in keeping with the needs of the advancing times.

Underscoring the significance of the 9th non-aligned summit, the joint meeting pointed out:

The forthcoming 9th non-aligned summit is confronted with important problems to be solved in raising the position and role of the Non-Aligned Movement and strengthening them in conformity with the changing international situation.

The 9th non-aligned summit will be another major occasion for all the non-aligned countries in adhering to the fundamental principles by their joint efforts and discharging the historical mission of the movement.

Reviewing the whole historical course covered by the Non-Aligned Movement, the joint meeting noted:

The Non-Aligned Movement is a widest spread international movement which opposes all sorts of dominationism including imperialism and colonialism, and aspires after national liberation, sovereignty, peace and social progress. It is also a powerful revolutionary force reflecting the main trend of the present time.

The non-aligned policy, the validity and vitality of its principle, the capacity and effectiveness of the Non-Aligned Movement in coping with international events have been fully proved in practice.

The Non-Aligned Movement has dealt a heavy blow at the imperialists' aggressive and belligerent moves, greatly contributing to defending world peace and security.

The movement has opposed all attempts to divide the world into blocs and spheres of influence, firmly maintained its position as an independent political force outside blocs and thus played a positive deterrent role to prevent a new world war. It has given encouragement to the struggle of the progressive people throughout the world for national independence and social progress and strive to solve all problems arising in the international arena in keeping with their independent aspiration and needs.

What is of particular note is that since the 8th non-aligned summit a series of inspiring changes have taken place in the international relations.

Tensions between the East and West blocs have begun to relax and a series of complex regional disputes are being settled peacefully through negotiations.

In some areas of dispute, measures for the withdrawal of foreign troops are being put into practice.

The joint meeting welcomed the trend from tension to detente and from confrontation to dialogue which appeared in the international arena at present. It pointed out:

Some propaganda media in the service of the imperialists say that now there is no need for the Non-Aligned Movement to exist as an independent political force outside the blocs, since the trend of detente has appeared between the East and the West.

This is nothing but a wicked talk made by those who hate the existence of the Non-Aligned Movement in an attempt to ward off its influence and enervate it.

Today nuclear disarmament has started and a phase of detente is being opened gradually in the international relations. One, however, cannot say that a fundamental change has been brought about in the international situation as a whole.

The imperialists have not yet renounced their policy of strength and are attacking socialism by their united force, intensifying their domination and plunder of the developing countries and trying persistently to destroy peace.

Openly stating that the new U.S. Administration would pursue the policy of strength invariably, it is expanding armaments, spurring on the development and modernization of new nuclear weapons and stepping up the SDI (Strategic Defence Initiative) steadily.

The imperialist ruling circles openly say that the cold war is not yet over and the present trend of detente is neither irreversible nor enduring.

This warns that one should not think as if there is no longer any danger of a new world war, thermonuclear war because of the removal of confrontation between the blocs, naively paying attention only to detente in appraising the situation.

The imperialists are also suppressing the cause of people's national liberation by force of arms and trying their hardest to put the newly-independent countries under their domination and control once again by crafty neo-colonialist methods, with a view to maintaining their crumbling colonial system at any cost.

Owing to this, the gap between the developing and developed countries is becoming bigger daily and the phenomena in which the rich becomes ever richer and the poor ever poorer is more pronounced worldwide.

This constitutes another serious factor which renders the world's political situation unstable.

The joint meeting emphasized: If the Non-Aligned Movement is to creditably discharge the noble mission it has assumed on behalf of our time and history, while actively coping with the ever-changing international situation and new challenges, it should increase its political strength in every way, launch more energetic activities, and enhance its leadership role in the international relations.

What is most important in increasing the might of this movement and heightening its role is to firmly maintain the fundamental principle of the movement, defend its anti-imperialist, independent character and strengthen the unity and cohesion of its ranks, the joint meeting said, and continued:

The basic principle of the Non-Aligned Movement is to unite and act independently without being involved in any blocs as an independent political force which exists outside the blocs.

If the movement abandons its basic principle on the pretext of changing situation, it will inevitably degenerate and cease to exist as an independent political force outside the blocs.

This means that a strong force capable of preventing a new war and defending peace will disappear on the globe and that the current tendency towards detente will turn adverse easily.

Therefore, the non-aligned countries must thoroughly reject any attempt and pressure to distort the basic principle of the movement or change its anti-imperialist and independent character and guard against the tendency to make the movement non-political and prevent any attempt to draw outside forces into the movement.

In order to realize its noble purpose and idea, the joint meeting stressed, the non-aligned movement must oppose all sorts of dominationist forces including imperialism, old and new colonialism, racism and zionism and see to it that all countries and nations firmly adhere to Chajusong (independence). The meeting also underlined the need for the movement to put an end to confrontation and the bloc policy and accelerate the process of detente and make positive efforts for a lasting peace in conformity with the changing situation.

The joint meeting said that as an immediate task, the Non-Aligned Movement should do everything in its power to remove the source of nuclear war and defend world peace and security. It continued:

Peace is not something to be had from mendicant diplomacy, but should be won by the united struggle of the people.

The peace-loving people all over the world must firmly unite and wage the struggle valiantly and extensively to check and frustrate the imperialists' policy of aggression and war and safeguard peace;

the Non-Aligned Movement should unfold a vigorous struggle to end the arms race and achieve the complete and general disarmament, particularly the complete disarmament of nuclear weapons, and strengthen in every way the solidarity with the anti-war, anti-nuclear, peace movement now under way worldwide.

In settling the question of disarmament, the non-aligned countries must not be excluded or disregarded and see to it that the interests of small countries are not sacrificed.

Emphasizing that the Non-Aligned Movement must call for the dissolution of blocs, make positive efforts to establish nuclear-free, peace zones in various regions of the world and expand them, and thus substantially contribute to the struggle to accelerate the building of a world free from nuclear weapons, it pointed out:

The non-aligned countries should make concerted efforts to establish nuclear-free zones in the areas already agreed upon and put into effect all the new proposals for the creation of individual and regional nuclear-free zones.

They should also strongly demand the withdrawal of nuclear weapons and war means, foreign troops deployed in the territories of other countries, and the dismantling of foreign military bases there.

Stating that settling the problem of regional disputes is important in preventing war and safeguarding peace and security of the world, the joint meeting said:

The Non-Aligned Movement should accelerate the process of detente by making positive efforts to solve the acute problems of regional disputes.

In recent years, a beginning has been made in some areas to settle disputes peacefully by political methods. But some disputes still fail to find ways for their peaceful settlement.

This exerts negative influence upon the process of international detente.

The non-aligned countries should make energetic efforts to settle disputes in a peaceful way through dialogue and negotiation and direct deep attention to removing obstacles standing in the way of a peaceful settlement of regional disputes and achieving national concord and unit.

The joint meeting pointed out:

An urgent question waiting for solution at present is the issue of the Korean peninsula which is pregnant with bigger danger of a new war than in any other parts of the world.

Easing tensions and ensuring security on the Korean peninsula are directly linked with those in Asia and the rest of the world.

It is the present trend that the withdrawal of foreign troops from other countries is raised as an indispensable link in settling disputes in many regions of Asia and Africa. But, only the U.S.-troops present in South Korea are not inclined to withdraw.

The occupation of South Korea by foreign troops is the source that creates tensions on the Korean peninsula and prevents the problem of Korean reunification from being solved through dialogue and negotiation.

The joint meeting expressed its firm conviction that the Non-Aligned Movement would advocate the pullout of foreign troops from South Korea and invariably give positive support to the just stand adopted by the Government of the Democratic People's Republic of Korea to settle the problem of Korean reunification peacefully through dialogue and negotiation.

Considering that a major task facing the Non-Aligned Movement is to carry out the strategic objectives for economic emancipation of the developing countries, powerfully promote South-South cooperation and expedite the establishment of a new, equitable international economic order, the meeting pointed out:

The developing countries should attain economic independence as early as possible.

Only when they achieve economic independence, can they rid of the present difficult economic conditions, maintain the independent stand and consolidate political independence they have already won.

In order to attain economic independence, it is necessary to enlist their own strength and resources to the fullest and, at the same time, realize South-South cooperation on the principle of collective self-reliance.

Now that the ideological and cultural poisoning and obstructive moves of the imperialists against the developing countries become more blatant, it is essential for them to develop South-South cooperation not only in the economic field, but also in the political, ideological and cultural spheres.

The joint meeting analyzed the successes achieved and the lessons gained in realizing South-South cooperation since the 8th summit. Then it pointed out that South-South cooperation is not on a proper level in view of its great potentialities and actual needs.

Underlining the need to take positive measures for the expansion of South-South cooperation, it said:

What is important in promoting this cooperation today is to vigorously undertake cooperation and exchange in the fields of food and agriculture, public health, trade, finance and currency and science and technology in accordance with the action programme for economic cooperation adopted at the summit meetings and the action plan endorsed at the extraordinary ministerial conference on South-South cooperation held in Pyongyang.

For the overall expansion of the South-South cooperation the non-aligned and developing countries should carry out economic and technical cooperation and exchange extensively in the spirit of helping each other sincerely and of solidarity.

When offering loans among the developing countries these should be at non-interest or at low-interest. When dispatching technicians and experts, there should be no claim for high pays. Technological documentations should be offered free of charge.

The non-aligned and developing countries should direct profound attention to the harmonization and coordination of the action programmes of economic cooperation of the non-alignment and the Group of 77 and should see to it that all the necessary conditions are made ripe, so that South-South cooperation can be discussed at a high-level meeting and practical measures taken.

The non-aligned movement, along with the expansion of South-South cooperation, should work out a flexible strategy of negotiation in order to activate the resumption of North-South dialogue and must play a pivotal role there, the joint meeting stressed, and continued:

North-South dialogue for the establishment of a new international economic order is still at deadlock. There is no improvement in the relations between the North and the South.

The developed industrial states are persisting in their predatory policy, that is, to seek their own interests at the expense of the developing countries by taking advantage of their monopolistic position in the international economic relations.

The non-aligned and developing countries should channel greater efforts into working out a realistic strategy to oppose the developed countries' predatory policy, reform the unfair and unreasonable system of trade, finance and currency and solve the debt issue.

For this the ministerial standing committee for economic cooperation should devote particular efforts to play its functions satisfactorily.

What is most important in the struggle of the non-aligned and developing countries to establish a new, equitable international economic order is to unite with each other and take concerted action.

Under the circumstances in which the developing countries hold most of raw material resources of the world and the western developed industrial countries are depending on the former they can make the latter accede to the former's demand whether they like it or not, if the non-aligned and developing countries take joint actions in firm unity, the joint meeting noted.

The Non-Aligned Movement should pay due attention to the problem of enhancing the capacity and effectiveness of its activity by improving the methods of activity in order to cope with the changing international situation, the joint meeting said, and continued:

The method of activity of the non-aligned movement should be improved in favour of defending and realizing the principles and idea of this movement.

In improving the methods of activity we should neither weaken the fundamental principles and character of the movement nor lay obstacles in the way of its unity and solidarity.

All problems concerning the method of the movement's activity—the organization and operation of the meeting, the forms and contents of documents, the method of adopting a decision, the coordination of activities of the member nations and so on—should be solved in such a way as to increase the might of the movement, step up its activity and enhance its role.

In conclusion the joint meeting point out:

The Government of the Democratic People's Republic of Korea will make all efforts to ensure that the 9th summit of non-aligned nations successfully discuss and solve the urgent problems arising at present before the non-aligned movement and perform its work satisfactorily.

In this way, it will contribute to the common cause of the whole mankind to consolidate and develop still further the Non-Aligned Movement and to build a world, free from imperialism and all other sorts of dominationism and aggression and plunder, subjugation and inequality, that is, a new world peaceful and independent, to meet the trend of the present times towards Chajusong.

Tanzania's Nyerere Arrives in Pyongyang

Papers Welcome Visit

SK2906045989 *Pyongyang KCNA in English*
0435 GMT 29 Jun 89

[Text] Pyongyang June 29 (KCNA)—Papers here today carry editorials warmly welcoming Comrade Julius K. Nyerere, chairman of the Revolutionary Party of Tanzania and chairman of the South Commission, on an official goodwill visit to Korea upon the invitation of Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea.

An editorial of NODONG SINMUN says that the fourth visit to Korea by Comrade Nyerere is a clear manifestation of deep trust and friendly feelings of the revolutionary party and people of Tanzania for our party and people. It continues:

Korea-Tanzania friendship has a long history. The two peoples established the friendly relations on the road of the common struggle for the cause of independence against imperialism and have developed them steadily.

This time Comrade Nyerere will pay an official goodwill visit to Korea and take part in the 13th World Festival of Youth and Students [WFYS] as a guest of honor. This will add significance to the Pyongyang festival guided by the idea of anti-imperialist solidarity, peace and friendship and inspire the progressive youth and students of the whole world in their struggle to build a free and peaceful new world.

The Korean visit of Chairman Nyerere will greatly help towards increasing unity and cooperation among the developing countries, establishing a new international economic order and strengthening and developing South-South cooperation.

The Tanzanian people who won the independence of the country by their own struggle are now making energetic efforts to build a prosperous new society under the slogan of socialism and self-reliance.

The revolutionary party and people of Tanzania are struggling to put a period to the colonialist and racist rule in southern Africa, achieve the complete liberation and unity of Africa, expand and develop the Non-Aligned Movement, realise South-South cooperation and establish a new international economic order.

The Korean people sincerely rejoice over the successes gained by the revolutionary party and people of Tanzania under the leadership of Comrade Julius K. Nyerere in their endeavours to realise the "Arusha Declaration" and extend full support and solidarity to them in their just cause.

The Tanzanian Revolutionary Party and people, true to their revolutionary obligation, express invariable support to and solidarity with the Korean people in the cause of national reunification and do not have any relations with the South Korean puppets.

The Korean people are happy to have in Africa such an honest people as the Tanzanian people as their friend.

The great leader Comrade Kim Il-song and respected Comrade Julius K. Nyerere have provided a sure guarantee for Korea-Tanzania friendship through several meetings and talks.

Our party and people will in the future, too, as in the past do their best to strengthen and develop still further the friendly and cooperative relations between the two parties and two peoples.

Nyerere Begins Good-will Visit

SK2906103389 *Pyongyang KCNA in English*
1028 GMT 29 Jun 89

[Text] Pyongyang June 29 (KCNA)—Comrade Julius K. Nyerere, chairman of the Revolutionary Party of Tanzania and chairman of the South Commission, arrived here today by special plane on an official goodwill visit to Korea upon the invitation of Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea.

He and his party were met at the airport by Yi Chong-ok, member of the Political Bureau of the WPK Central Committee and vice-president; Ho Tam, member of the Political Bureau and secretary of the WPK Central Committee; and other senior officials.

They were warmly welcomed at the airport by thousands of Pyongyang citizens.

Further Report on Arrival

SK2906104889 *Pyongyang KCNA in English*
1034 GMT 29 Jun 89

[Text] Pyongyang June 29 (KCNA)—Comrade Julius K. Nyerere, chairman of the Revolutionary Party of Tanzania and chairman of the South Commission, arrived here today by special plane on an official goodwill visit to Korea upon the invitation of Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea.

The airport and streets of Pyongyang were in welcome attire to greet the goodwill envoy of the Tanzanian people. A portrait of Comrade Kim Il-song and a portrait of Comrade Julius K. Nyerere were put up at the airport. Put up there were slogan boards reading "Long live the great leader Comrade Kim Il-song!" And "Long live respected Comrade Julius K. Nyerere!"

Also seen there were slogan boards reading "Warm welcome to goodwill envoy of the Tanzanian people!" and "Long live militant friendship and unity between the Korean and Tanzanian peoples!"

Thousands of working people in the capital city warmly welcomed the honoured guests, waving flags of the two countries and bunches of flowers when the plane carrying the guests touched down.

Moses Nnauye, member of the Central Committee and organizational secretary of the National Executive Committee of the Revolutionary Party of Tanzania; Paul Andreas Sozigwa, member of the Central Committee and secretary in charge of Tanzania-Korea cooperation relations of the National Executive Committee of the Party; John Guninita, member of the National Executive Committee and chairman of the Tanzanian Youth Organization of the party; and others arrived here.

The guests were met at the airport by Yi Chong-ok, member of the Political Bureau of the WPK Central Committee and vice-president; Ho Tam, member of the Political Bureau and secretary of the WPK Central Committee; Han Song-yong, Alternate Member of the Political Bureau and secretary of the WPK Central Committee; and Chong Nam-ho, DPRK ambassador c.p. to the United Republic of Tanzania.

Also present at the airport were members of the Tanzanian youth and students delegation to the 13th WFYS.

Comrade Julius K. Nyerere walked in front of the cheering crowd, waving his hands to them and headed for city proper.

More than 100,000 people of various strata in Pyongyang warmly welcomed the goodwill envoy of the Tanzanian people along the long route from Yyonmot-tong to Kumsong street.

Malagasy Prime Minister Arrives in Pyongyang
SK2906044989 Pyongyang KCNA in English
0413 GMT 29 Jun 89

[Text] Pyongyang Kune 29 (KCNA)—Victor Nirina Ramahatra, prime minister of the Democratic Republic of Madagascar, and his party arrived in Pyongyang on June 28 by plane as guests of honor to the 13th World Festival of Youth and Students.

They were met at the airport by Premier Yon Hyong-muk, Minister of Labour Administration Yi Chae-yun and Vice-Minister of Foreign Affairs Kim Yong-yong.

A welcome ceremony took place at the airport for them.

After the national anthems of Madagascar and the DPRK were played, Prime Minister Victor Nirina Ramahatra, in company with Premier Yon Hyong-muk, reviewed a guard of honor of the Korean People's Army.

Premier Yon Hosts Reception
SK2906045189 Pyongyang KCNA in English
0408 GMT 29 Jun 89

[Text] Pyongyang June 29 (KCNA)—The Government of the Democratic People's Republic of Korea last evening gave a reception in honor of Prime Minister of the Democratic Republic of Madagascar Victor Nirina Ramahatra on a visit to Korea as a guest of honor to the 13th World Festival of Youth and Students and his entourage.

Premier Yon Hyong-muk spoke first at the reception.

He said:

It is a manifestation of deep trust in and solidarity with us that you Prime Minister Victor Nirina Ramahatra are taking part in the Ppyongyang festival, attaching great significance to it.

The friendly and cooperative relations between the two countries are based on the particular intimacy between the great leader Comrade Kim Il-song and respected His Excellency President Didier Ratsiraka. I am deeply satisfied to note that these friendly relations are developing excellently as ever.

The fraternal Malagasy people under the correct leadership of respected His Excellency President Didier Ratsiraka are advancing convincingly along the road of socialism, he noted, adding:

We warmly congratulate the Malagasy people upon their successes in their efforts to carry out the present five-year plan and achieve self-sufficiency in food.

Prime Minister Victor Nirina Ramahatra spoke next.

I know well that the Government of the DPRK sets weighty importance on the work with the young people and on the upbringing of them who represent the future of the country, he said, and went on:

The Malagasy Government and people know well of the just initiatives and efforts of the Government of the DPRK for national reunification.

We are convinced that the Korean people under the leadership of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il will surely achieve the reunification of the country.

Kim Il-song Receives Pakistani Delegation
SK2806165689 Pyongyang KCNA in English
1605 GMT 28 Jun 89

[Text] Pyongyang June 28 (KCNA)—The great leader President Kim Il-song today received Minister for Youth of the Islamic Republic of Pakistan S.T. Ali Shah, head of the Pakistani delegation to the 13th World Festival of Youth and Students, and his party and Rafiq Ahmad Sheikh, secretary general of the Pakistan People's Party on a visit to Korea as a guest of honor to the festival and his entourage.

Present on the occasion were member of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea Ho Tam and Pakistani Ambassador E.P. to Korea Jafar Habib.

The guests conveyed to President Kim Il-song a personal letter and a gift of the PPP Chairman Nusrat Bhutto and a gift of Pakistani Prime Minister Benazir Bhutto.

President Kim Il-song expressed thanks for them and had talk with the guests in a cordial and friendly atmosphere.

The guests presented gifts to President Kim Il-song.

Kim Il-song Receives Honorary Yemeni Guests
SK2806165089 Pyongyang KCNA in English
1603 GMT 28 Jun 89

[Text] Pyongyang June 28 (KCNA)—The great leader Comrade Kim Il-song today received Sha'fal 'Umar 'Ali, secretary of the Central Committee of the Yemen Socialist Party, on a visit to Korea as a guest of honor to the 13th World Festival of Youth and Students and his entourage.

Ho Tam, member of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea, was on hand.

Secretary Sha'fal 'Umar 'Ali conveyed to comrade Kim Il-song a personal letter and a gift of secretary General of the C.C., the Yemen Socialist Party 'Ali Salim al-Bid.

Comrade Kim Il-song expressed thanks for them and had a talk with the guests in a cordial and friendly atmosphere.

Polish Delegation Arrives for Festival
SK2806162489 Pyongyang KCNA in English
1550 GMT 28 Jun 89

[Text] Pyongyang June 28 (KCNA)—14 members of the Polish youth delegation arrived in Pyongyang, the venue of the festival, on June 28, aboard a sailing boat to participate in the 13th World Festival of Youth and Students.

The boat "Zawisza Czarny" concluded with success the 102-day sailing and cast the anchor at the Mangyongdae passenger wharf. 14 members participating in the Pyongyang festival which will adorn a brilliant chapter in the history of the world youth movement left Gdynia port of Poland on March 26.

Though the course they covered through Baltic, North Sea, Mediterranean, Indian Ocean and the Pacific was not smooth, they arrived in Pyongyang, the city of the festival, without fail as scheduled.

They have covered 12,000 nautical miles.

They came together with 12 members of a visiting group by the same boat.

The Polish guests were warmly welcomed by Korean school children at the wharf.

They were met by Hyon Sok, vice-chairman of the Central Committee of the League of Socialist Working Youth of Korea, and other officials concerned.

Guests of Honor Arrive for Youth Festival
SK2906101289 Pyongyang KCNA in English
0957 GMT 29 Jun 89

[Text] Pyongyang June 29 (KCNA)—A number of guests of honour to the 13th World Festival of Youth and Students arrived here on June 28 by air.

They are:

Guillermo Garcia Ponce, general secretary of "New Alternative" of Venezuela, and his party; Sulayman al-Qaddah, deputy secretary of the regional leadership of the Arab Socialist Ba'th Party, and his party; M'Bouille Siby, administrative secretary of the Central Executive Bureau of the Malian People's Democratic Union, and his party; Alfred Nzo, secretary general of the African National Congress of South Africa; Farid Ahmad Mazdak, alternate Member of the Political Bureau of the Central Committee of the People's Democratic Party of Afghanistan, and his party; Arsene Ritsifehera, principal member of the Supreme Council of Revolution and deputy secretary general of the Party of the Congress for the Independence of Madagascar; Raveloson Mahasampo Hortense, chief of the national Central Bureau of the Malagasy Vanguard of Revolution, and her party; Jermal Abdelwahab, permanent secretary of the Constitutional Democratic Rally of Tunisia; Mustafa 'Ali al-'Ali, member of the Executive Committee of the Palestine Liberation Organization; Miguel Figueroa, member of the Central Executive Committee of the Communist Party of Canada; and his party; Joe Debono Grech, deputy leader of the Malta-Labour Party, and his party; Ousmane Batoko, member of the Central Committee of the Party of the People's Revolution of Benin and minister of information and communications; Fatima Ahmed Lbrahim, member of the Central Committee of the Sudanese Communist Party and chairman of the Sudanese Women's Union; Marwan al-Hadidi, chairman of the Jordan-Korea Friendship Association; Humberto Ortiz Flores, manager of the Ecuadorian "Voluntad" publishing house, and his party; Chuji Kuno, chairman of the Dietmen's League for the Promotion of Japan-Korea Friendship, and his party; Nyimasata Sanneh Bojang, vice-minister of education, youth, sports and Culture of Gambia, and her party; Garduce Venancio, member of congress of Philippines, and his party; Amar Bentoumi, secretary general of the International Association of Democratic Lawyers, and his party; William Sullivan, secretary general of U.S. out of Korea Committee.

They were met at the airport by Pak Nam-ki and Kim Chung-nin, secretaries of the Central Committee of the Workers' Party of Korea, and other senior officials.

Meanwhile, a home-visiting group of traders and industrialists of the General Association of Korean Residents in Japan (Chongnyon) headed by Yi Chong-tae, chairman of the Federation of Korean Traders and Industrialists in Japan; and the visiting group of Koreans in the United States headed by Yang Un-sik, chairman of One Korea Movement; arrived here on June 28 for participating in the Pyongyang festival.

More Delegations Arrive

SK2906045589 *Pyongyang KCNA in English*
0415 GMT 29 Jun 89

[Text] Pyongyang June 29 (KCNA)—Delegations of different countries and delegates of international and regional organisation arrived in Pyongyang on June 28 by plane to take part in the 13th World Festival of Youth and Students.

They are a Gambian delegation, a Guinean youth delegation, a South African youth delegation, a Nicaraguan delegation of youth and students, a New Zealand youth delegation, a delegation of the Liberian National Preparatory Committee, Malagasy delegation of youth and students, a Moroccan delegation of youth and students, a Malaysian youth delegation, a Mauritius youth delegation, a Mongolian youth delegation, a delegation of the Bangladesh National Preparatory Committee, a Bolivian delegation, a Palestinian delegation, a Fijian delegation, a Filipino delegation, a youth delegation of the Togolese people's rally, a Tunisian delegation of youth and students, a delegate of the World Federation of Democratic Youth, a delegation of the All-Africa Students Union, a delegate of the supreme council of Central American University, a delegate of the students federation of the Central American University and a delegate of Human Rights Commission of the Central America.

South Student Groups Send Message to Meeting

SK2806104289 *Pyongyang KCNA in English*
1021 GMT 28 Jun 89

[Text] Pyongyang June 28 (KCNA)—The "National Council of Student Representatives" (Chondaehyop), the "National Council of Representatives of Youth Organisations" (Chonchonghyop) and the "Federation of Social Democratic Youth" (Saminchong) of South Korea sent a message to the International Union of Students which initiated talks between youth and student delegates from the North and the South in Vienna, Austria, with the attendance of delegates of international youth and student organisations in connection with the fact that they could not participate in the talks owing to the obstructive moves of the puppet authorities, according to a report.

Recalling that their efforts to run toward the place of the meeting of youth and students in the North and the South which was initiated by the International Union of Students have failed to bear fruit owing to the "government's" blocking at the initial stage, the message said:

we inform you that what requires us to do now is only to break through Panmunjom through struggle against the "Chongwadae" dictatorship which is barring the participation in the Pyongyang festival. And we convey to you our burning determination to undauntedly fight for a new day of national reconciliation and independent reunification which will certainly come, and reunify the country with our hearts.

We will fight a decisive battle by devoting our youth till the last moment of the opening of the Pyongyang festival on July 1, till the final moment of its closing.

SKNDF Urges South Students To Attend Festival

SK2706120489 *(Clandestine) Voice of National Salvation in Korean to South Korea* 2200 GMT
21 Jun 89

[Text] On 19 June, the South Korean National Democratic Front (SKNDF) Central Committee made public a letter of appeal to the millions of fellow students and (???) million fellow countrymen in connection with the imminent World Festival of Youths and Students in Pyongyang and the measures the ruling authorities have once again taken to ban our youths and students from participating in the festival.

The letter of appeal said that it is a great felicitous event not only for the world community, but also for our people, as well as a joy for the people of the world and a glory for our fellow countrymen that the great global festival for peace during which the youths and students from six continents will gather in one place to fly doves of peace in the plaza of anti-imperialism and solidarity and dance in a waltz of friendship is to be hosted in Pyongyang.

After calling the Pyongyang festival a historical chapter that is designed to bring peace and friendship to mankind and reconciliation and reunification to the people in the country, the letter of appeal stressed that the hand-in-hand participation of the youths and students in the North and South in this glorious festival is one of the most rewarding things for all the fellow countrymen and a national event capable of rejoining the severed blood vessel again.

Paying particular attention to the fact that No Tae-u had earlier promised in his 7 July declaration that he would open the door for North-South exchanges to people of all walks of life, including students; that he again promised in his speech on national policy matters that he would see to it that the march of students of the North and South from one end of the national territory to another and sports meetings and debate meetings between the students are realized; and that, in addition, he had the minister of the National Unification Board publicly declare last 16 June that if the Chondaehyop cooperates with the government and if North Korea agrees, the participation of the students in the festival would be

allowed, the letter of appeal expressed surging indignation over No Tae-u's act of breaching his earlier promises, over his banning of our youths and students' participation in the festival by the use of violence, and his act of eventually closing the door for consultation. The letter continued to say that the only choice is struggle, and called on the youths and students to rise up with indignation in a struggle for participating in the festival.

The letter of appeal called on the millions of fellow students to become fighters and a suicide squad to pave the way for the Pyongyang festival, breaking through the suppression and (?deception). The letter of appeal also urged the people of all walks of life to join in the righteous struggle of the youths and students for participation in the festival and to extend positive support to the youths and students.

In conclusion, the letter of appeal said that the SKNDF, hand in hand with the 70 million fellow countrymen and the peace-loving forces in the world, will continue its struggle to realize the participation of our youths and students in the Pyongyang festival.

South Korea

U.S. 'Must Seriously Consider' Troop Withdrawal
SK2906060189 Seoul HANGYORE SINMUN in Korean
28 Jun 89 p 3

[Editorial: "The United States Must Seriously Consider the Withdrawal of Its Forces From Korea—It Must Change Its Policy Using Senator Bumpers' Reduction Proposal as an Opportunity"]

[Text] It is clear that a U.S. forces in Korea reduction bill presented on 23 June by Senator Bumpers, a Democrat and a member of the Senate Appropriations Committee, has provided an opportunity for the U.S. Congress to discuss this delicate and sensitive issue in earnest. In the United States, this issue had been discussed occasionally in Congress, the administration, and academic and press circles. However, for the first time, the issue of reducing the U.S. forces in Korea will be discussed in the U.S. Congress in connection with Korea's economic development and with the anti-U.S. sentiment of some Korean people. This issue will be discussed on the threshold of a new era when East-West tension is rapidly easing.

The U.S. Forces Korea reduction bill itself is not much different from proposals for withdrawing the U.S. forces from Korea previously discussed in the United States. The main point of this bill requests the administration to withdraw 10,000 ground troops by 30 September 1992 to ensure that around 21,000 ground troops will be stationed thereafter. However, this bill attracts our attention because Bumpers, its author, cites as important reasons for reducing the U.S. forces in Korea the fact that the proportion of Korea's military expenditure to its gross national product is less than that of the United States' and that anti-U.S. sentiment is strong in Korea.

Senator Bumpers presented this bill not as an effort for peace in order to ease tension in Northeast Asia but as an effort to request that Korea share the U.S. defense expenditure by linking Korea's economic growth and the U.S. budget deficit.

What supports this interpretation is the U.S. Administration's consistent stand on the withdrawal of the U.S. forces from Korea. As President Bush publicly declared during his visit to Korea, the United States has no plan to reduce the U.S. forces in Korea. As a matter of fact, even though the Soviet Union, while proposing arms reduction in Northeast Asia, declared a unilateral reduction of the Soviet Forces based in the Far East, the United States is insistent on its military policy toward Northeast Asia designed to contain the Soviet Union.

Because the U.S. forces in Korea are vital to U.S. policy toward Northeast Asia, it is less likely that U.S. forces will actually withdraw from Korea as long as the U.S. military policy does not change.

However, if they are to ease military tension in Northeast Asia using Senator Bumpers' reduction proposal as an opportunity, the U.S. Administration and Congress, being aware of a need to reform their military policy in an epoch-making way, must seriously consider the withdrawal of the U.S. forces from Korea, and lead North and South Korea to take corresponding measures to ease tension.

Political Parties View U.S. Forces Withdrawal
SK2906013589 Seoul TONG-A ILBO in Korean
26 Jun 89 p 5

[Commentary by Kim Tong-chol: "Two Different Views of the Four Parties on the U.S. Forces in Korea"]

[Text] On the home front, dissident forces and other progressive forces demand that the U.S. forces be withdrawn from Korea, and in Washington, a bill proposing that the U.S. forces in Korea be reduced was presented to the U.S. Senate. In this way, the issue of withdrawing the U.S. forces from Korea has become an important point of dispute. In connection with this, leaders of various parties at home actively express their views on the withdrawal of U.S. forces from Korea.

Over this issue, recognizing the U.S. forces in Korea as the "forces that deter war on the Korean peninsula," the Democratic Justice Party [DJP], the Reunification Democratic Party [RDP], and the New Democratic Republican Party [NDRP] contend that it is not good to withdraw the U.S. forces from Korea at present. In the meantime, the Party for Peace and Democracy [PPD] expresses a rather progressive opinion that it is "time to discuss this issue from an independent standpoint."

However, the PPD is also of the opinion that in order to establish a North-South peace structure, discussions must take place on reduction, not complete withdrawal, in a forward-looking manner with firm and solid safety devices at hand.

As far as the issue of the U.S. forces in Korea is concerned, while making clear their conservative stand of recognizing the U.S. forces' function and role and the value of their presence, the four ruling and opposition parties are skeptical about their permanent presence.

Over the issue of when the withdrawal or reduction of U.S. forces in Korea can be discussed, DJP Chairman Pak Chun-kyu said, "This issue can be discussed when the plan to modernize the Korean Armed Forces is completely carried out in 1992." However, he implicitly put forth clear-cut preconditions such as the North Korean side's complete abandonment of its strategy to communize the South and the peace settlement.

At the 23 June panel discussion in the Kwanhun Club, RDP President Kim Yong-sam said, "During my stay in the Soviet Union and the United States, I did not hear anyone refer to the issue of reducing or withdrawing the U.S. forces in Korea. Moreover, when I said to Ho Tam during our talks, 'As long as mutual trust has not been nurtured between the North and South, the U.S. forces in Korea must stay as forces that deter war,' Ho Tam did not rebut my charge." In this way, Kim Yong-sam stressed that the presence of the U.S. forces was needed in Korea.

At the world forum on 23 and 25 June, NDRP President Kim Chong-pil said, "I can in no way welcome any remarks demanding that the U.S. forces be withdrawn."

PPD President Kim Tae-chung, who expressed a rather progressive stand by saying that the issue of the U.S. forces in Korea must be discussed from an independent standpoint, said, "The withdrawal of the U.S. forces from Korea and the signing of a peace agreement and a nonaggression treaty must be simultaneously pushed ahead with; withdrawal must be used as leverage for peace between the North and South." In this regard, he differs in his opinion from dissident forces and some students who cry, "Yankee, go home!"

However, concerning the issues of operational control over the Korean Armed Forces and nuclear weapons, PPD President Kim Tae-chung accepts the views of dissident forces and students to a larger degree.

Over operational control, PPD President Kim said, "We are self-reliant in defense of our country only in words. We are the only country whose armed forces are operationally controlled by foreign forces in peace time. For the sake of national pride and, in particular, the pride of the younger generation, we must break from the convention of entrusting operational control of our armed forces to the commander of foreign forces."

On the issue of nuclear weapons, PPD President Kim alleged, "The fact that nuclear weapons are deployed in Korea not to defend the Korean peninsula but to defend the United States and Japan because they are aimed at China and the Soviet Union, is a problem, and so are, in particular, the SS-20's deployed around Lake Baykal." He worried that there is a danger that, irrespective of the Korean people's will, Korea can turn into a nuclear battleground for the interests of powerful countries.

Among the many reasons for the growth of anti-U.S. sentiment, the three opposition parties cited three reasons as the most important: U.S. support for dictatorial regimes, the unfair Korea-U.S. Status of Forces Agreement, and U.S. pressure to open our markets.

Viewed from this perspective, many people in political circles think that the United States must show sincerity in the current process of revising the Korea-U.S. Status of Forces Agreement and that it must also change its high-handed attitude in trade negotiations and other matters.

Dispute Erupts With U.S. Over Driftnet Fishing
SK2806054489 Seoul THE KOREA TIMES in English
28 Jun 89 p 9

[Text] A fishing dispute has erupted between Korea and the United States concerning fishing by Koreans on the North Pacific high seas.

The National Fisheries Administration [NFA] said yesterday that the U.S. government has strongly urged Korean fishing boats catching squid on the high seas to allow U.S. officials to board the ships to check whether or not they have also caught salmon under the pretext of protecting their marine resources such as salmon and seals.

As Korean boats have refused the U.S. request, the U.S. government has threatened to ban exports of marine products by Korea to the United States, NFA officials said.

Korea and the United States held a fourth round of talks on squid driftnet fishing in Washington on June 1-2 to settle the disputes but failed due to the latter's unacceptable request, the officials said.

The U.S. government also unilaterally turned down the Korean proposal to hold another round of negotiations after the failure of the talks.

The officials said the U.S. government is considering banning imports of Korean marine products completely or partially unless the two sides find a solution by June 29.

Their contention is based on the law regulating driftnet squid fishing passed on Dec. 29, 1987 by the U.S. Congress.

Parliamentary Talks With North To Be Postponed
SK2806234689 Seoul Domestic Service in Korean
2200 GMT 28 Jun 89

[Text] The government and the Democratic Justice Party [DJP] have decided to postpone the North-South talks for the time being, including the North-South parliamentary talks, taking into account the North Korean side's double-faced stand on North-South dialogue and the current public sentiment.

At a high-level party-government consultative meeting last night, the government and the DJP agreed to resume North-South dialogue after a certain cooling-off period taking into accounts the fact that the North Korean side took a double-faced stand on dialogue—the North side secretly having a person from the South enter the North, while conducting official dialogue with our side. The North Korean side lured lawmaker So into Pyongyang in August last year when the first preliminary contact for the North-South parliamentary talks was made.

In this connection, DJP floor whip Kim Yun-hwan said that the government and his party would hold a meeting of our delegation to the North-South parliamentary talks some time today to discuss with the opposition parties the postponement for about a month of the eighth preliminary contact for North-South parliamentary talks. Our side made a counterproposal to hold the meeting on 11 July.

Paper Cites Egypt Boycott of Pyongyang Festival
SK2906004889 Seoul THE KOREA HERALD
in English 29 Jun 89 p 3

[Text] Cairo (YONHAP)—Egypt has cancelled a plan to dispatch a delegation to the 13th World Festival of Youth and Students to be held in Pyongyang July 1-8.

The sudden action was taken because north Korea attempted to invite representatives of the Communist Party and other outlawed organizations through individual contacts.

The decision was made in a meeting attended by representatives of six political and social organizations and the youth and sports minister. The decision has been conveyed to Kim Yong-sop, the north Korean ambassador in Cairo.

However, representatives of some groups have already left for Pyongyang individually, it was learned.

Egypt had selected more than 80 people for the Pyongyang event.

Further on PPD's So Kyong-won Northern Trip

Arrangements for So's Visit Revealed
SK2906032089 Seoul THE KOREA TIMES in English
29 Jun 89 p 3

[Text] Rep. So Kyong-won, who was arrested Wednesday for making an unauthorized visit to North Korea in August, 1988, carried a passport issued by North Korean authorities during his three-day clandestine trip, prosecution authorities announced yesterday.

His trip was arranged by a pro-Pyongyang Korean clergyman who resides in West Germany and is believed to be a North Korean agent, whom So met at a seminar in March, 1985.

North Korea provided a special plane for the South Korean lawmaker who boarded it at the Prague airport in Czechoslovakia on Aug. 19 last year.

So arrived at the Sunan airport on the outskirts of Pyongyang at 9 a.m. the next day and met North Korean leader Kim Il-song at his retreat in Chagang-do in the afternoon.

According to the prosecution announcement, So has been harboring the thought that South Korea is now being occupied by American "neo-colonialists" and the reunification of the divided motherland should be realized through "minjung" (people's) movement, led by farmers.

So left Seoul on Feb. 20, 1985, to participate in a meeting of the International Young Catholic Farmers League in Brussels. At that time, So was president of the Korea Catholic Farmers Association.

After the meeting, he visited Mali, Cote d'Ivoire [Ivory Coast] in Africa and other countries in Europe.

So met a Korean pastor only identified as Chong, and other Korean residents in West Germany in a seminar on the Seoul Olympics held in Frankfurt in mid-March, 1985. Participants in the seminar agreed that staging of the Olympiad by Korea is undesirable under the circumstances.

After hearing that Chong had met North Korean pastors to discuss Korea's reunification at the World Council of Churches (WCC) seminar in Switzerland, So approached him seeking an opportunity to contact North Koreans.

So asked Chong to arrange a meeting with North Korean officials in East European countries, saying that it will be the first step towards South-North Korean farmers exchanges.

Several days later, Chong took So to Salzburg in Austria and arranged a meeting with three officials of a North Korean mission in an East European country.

In an encounter at a restaurant, So asked them to arrange a meeting with North Korean president Kim Il-song, conveying his idea of South-North Korean farmer exchanges. He also suggested exchanging crop seeds and livestock between South and North Korea.

The North Koreans agreed to arrange So's Pyongyang visit and to inform him when the arrangements were completed. After the meeting, So returned to Seoul on April 17.

According to the prosecution report, So had decided to visit North Korea via West Germany taking advantage of his invitation to an international seminar on food self-sufficiency slated for Aug. 24- Sept. 5 in Japan. It would be his first overseas trip since he was elected as a lawmaker from Hampyeong-Yongkwang in April.

He arrived in New York on Aug. 10 to participate in a ceremony to observe the 43th anniversary of Korea's liberation from Japanese rule sponsored by a Korean residents' fraternity.

In Long Island, N.Y., So met Chong from West Germany and asked him to arrange his visit to Pyongyang. Chong made phone calls to North Korean agents in Europe to realize So's Pyongyang visit.

So left New York on Aug. 18 for Frankfurt. At the Frankfurt airport, he was received by a professor with whom So struck up an acquaintance at the seminar in 1985.

The professor only identified as Chong asked So to meet two North Korean agents at the Frankfurt Airport the next day and to follow their directions.

The next day, So met two men in their 40s at the airport. After identifying So, they handed a North Korean passport over to him, saying, "Rep. So, from now on you cannot use your passport. Instead, use this passport we had prepared."

They arrived at the Prague airport, Czechoslovakia, at around 11 a.m., boarded a special North Korean airliner immediately and left for Pyongyang.

During the flight to Pyongyang, So asked a North Korean official to arrange a three-day itinerary to include a meeting with Kim Il-song and visits to farm villages.

At the Sunan airport, So was welcomed by a high-ranking North Korean official only identified as Kim and two generals. They drove him in a Mercedes-Benz limousine to a luxurious guest house near the Taedong River.

After a brief rest, So was taken to a villa in Chagang-do where Kim Il-song was staying at that time. On the porch, he was received by Ho Tam, chairman of the North Korean Council for Peaceful Unification of the Fatherland.

Exchanging greetings, So told Kim Il-song, "Mr. President, nice to meet you." They hugged and sat down for talks after having a picture taken.

Kim Il-song told him that South Korea's proposals for holding economic and Red Cross talks are unreasonable at this time when South and North confront with each other with enormous military might.

Kim said that he is seeking peaceful reunification of Korean and South and North should sign a non-aggression pact.

DJP 'Shocked' by So's Trip

SK2906005889 Seoul THE KOREA HERALD
in English 29 Jun 89 p 2

[Text] Key postholders of the ruling party appeared yesterday to be shocked by the news that Rep. So Kyong-won of the PPD [Party for Peace and Democracy] made an unauthorized trip to North Korea last year.

Rep. So is now under arrest.

Pak Chun-kyu, chairman of the DJP [Democratic Justice Party], describing So's secret visit to Pyongyang as an act of high treason, called on the PPD to take immediate and resolute action against So that is acceptable to the people.

"I was so shocked to know that the evil hands of North Korean chieftain Kim Il-song have finally reached South Korean lawmakers directly," commented Pak Hui-tai, party spokesman, stressing the need for a thorough investigation into the case.

Kim Yun-hwan, floor leader, in the meantime, disclosed that he heard about So's controversial trip to North Korea for the first time from Pak Se-chik, director of the Agency for National Security Planning around 5 p.m. Wednesday.

"The arrest of So was inevitable because he violated the pertinent laws even if So surrendered to the investigation authorities voluntarily," Kim explained.

Kim, however, refused to comment on possible punitive action against So on the parliament level saying that such a matter could be considered pending investigation results that are likely to be made available about 20 days from now when the legal investigation deadline of the Agency for National Security Planning is due.

Expressing concern about the behavior of So over the past 10 months since his return home last August, Son Chu-hwan, chief policy coordinator, insisted that possible espionage activities of lawmaker be investigated.

So Trip Said To Cause Crisis in PPD

SK2906042089 Seoul THE KOREA TIMES in English
29 Jun 89 p 2

[By staff reporter Kim Song-pok]

[Text] Rep. So Kyong-won's unauthorized trip to North Korea dumfounded the nation again and put the opposition Party for Peace and Democracy led by Kim Tae-chung in a corner.

The PPD was caught off guard because it apparently had no knowledge of So's clandestine visit to Pyongyang in August of last year until So confessed the secret to PPD leaders late last week.

The ripple is surging much stronger than in the case of dissident pastor Mun Ik-hwan's illegal travel to the North in March this year because So is an incumbent lawmaker.

Moreover, unconfirmed reports are in circulation that there are two or three more PPD legislators who have made surreptitious visits to the North.

If the rumors prove true, the PPD is bound to face its worst crisis since its foundation in December, 1987.

In a desperate effort to minimize the damage, the PPD quickly decided to expel So from the party and announced an open apology yesterday.

After the emergency meeting of PPD executive members, PPD president Kim stated, "We deeply deplore the imprudent act which also runs counter to the people's aspiration."

He added solemnly, "As regards the grave blunder, our party cannot help taking stern punitive measures against him in accordance with the party charter and regulations."

Asked what he meant by stern punitive measures, Kim replied, "It is the expulsion."

The PPD will convene its Disciplinary Committee and the caucus to discuss the ouster of So today. In addition, vice PPD president Mun Tong-hwan and floor leader Kim Won-ki expressed their intention to resign taking moral responsibility for the So incident.

Despite the PPD's quick reaction to control the damage, the opposition party will not easily restore its tarnished image.

With So's case, the PPD will be certainly pressured to take a clear-cut choice in its ideological line.

As it happens, PPD head Kim has recently argued for the phaseout of the U.S. troops from South Korea, an assertion which is regarded as somewhat progressive.

He has also presented a unification formula of his own, seeking an Austria-type neutrality for the Korean peninsula.

With regard to the student activists' efforts to take part in the world youths festival slated for Pyongyang early next month, Kim Tae-chung gave full support of the students' cause and demanded that the government allow them to participate in the politically-oriented feast.

Kim's progressive assertions offered good reasons to invite some suspicions of his ideological color.

In the wake of So's behavior, a sharp confrontation is expected to grow between conservatives and the progressives within the PPD.

After Rev. Mun's unlawful visit to Pyongyang in March, a feud erupted between the "Pyongminnyon," the group of the dissident-turned-lawmakers, who backed up Mun, and the conservative PPD members who complained about him.

Thereupon, the voice of the conservatives is likely to grow stronger within the PPD.

Furthermore, So's act will help strengthen the ruling camp in its cause to combat increasing leftism.

So also sapped the ground of the PPD's political offensives against the No Tae-u government on cleaning up the past bad legacies of the Fifth Republic.

Breaking his long period of silence since early this month, PPD head Kim Tuesday warned of a tough anti-government struggle from this fall if No shows no sincerity in the liquidation of the past evils, including the ouster of Rep. Chong Ho-yong from his public post.

Whether it was coincidence or not, Kim declared the tougher struggle against the No administration on the very day Rep. So was arrested.

It remains to be waited and seen whether or not he can harness the support he hopes for with the tarnished image of the PPD.

Farmers Group Denies Prior Knowledge

SK2906015089 Seoul THE KOREA HERALD
in English 29 Jun 89 p 1

[Text] TAEJON—One official of the Catholic farmers Movement headquartered here said yesterday Rep. So Kyong-won came here June 21 and told movement officials about his secret visit to north Korea.

But the dissident group said in a statement it had no prior knowledge of So's trip to north Korea last August.

Chong Song-hyon, the movement's secretary general, told reporters yesterday that he heard from Seoul's bishops that the lawmaker visited Pyongyang secretly early January this year.

To confirm the news, Chong said, the organization asked So to visit its headquarters.

So reaffirmed the news in the presence of four movement leaders and told them what he discussed with the northern leader Kim Il-song, Chong said.

The lawmaker allegedly asked Kim to send athletes to the 1988 Seoul Olympics and that north Korea stop dispatching agents to the south.

Espionage Charges Possible

SK2906024889 Seoul THE KOREA TIMES in English
29 Jun 89 p 3

[By staff reporter Ko Chik-man]

[Text] With the arrest of Rep. So Kyong-won of the Party for Peace and Democracy for his clandestine visit to North Korea, the focus of legal action is placed on whether to add espionage charges.

The 52-year-old farmer activist-turned lawmaker is under formal arrest on charges of violating the National Security Law that forbids unauthorized contacts with or visits to North Korea.

He is currently charged with violating the first phrase in Article 6 and Article 8 of the National Security Law that regulate secret travel to, praising and sympathizing with the Communist North and illegal communication with an anti-state organization (North Korea).

So's talks with North Korea leaders was an apparent violation of Article 8 in the law that stipulates a jail term of up to 10 years to those who make illegal contacts and communication with the anti-state organization.

But prosecutors suspect that he sneaked into the North to receive orders for the purpose of carrying out anti-government and pro-Pyongyang activities.

Prosecutors also suspect the lawmaker to have been involved in espionage activities for about one year after visiting the North while keeping contacts with Communist agents.

In that case, he will be charged with espionage activities as well as the violation of the second phrase of Article 6 in the National Security Law. Under this laws, he may be sentenced to death or life imprisonment.

But taking into consideration the fact that the lawmaker surrendered himself for questioning, prosecutors did not rule out the possibility that he may avoid heavy punishment.

So will be deprived of his status as a lawmaker only after he is confirmed guilty by the Supreme Court's ruling.

So's relatives and associates who might keep the secret of his Pyongyang visit will also face legal action for failing to reporting to law-enforcement authorities.

Those who failed to report So's Pyongyang visit to the authorities may be also charged with violating Article 10 in the National Security Law, facing up to five years in jail.

The lawmaker's illegal trip was quite different from previous unauthorized visits to North Korea by the Rep. Mun Ik-hwan and novelist Hwang Sok-yong, both indicted for violating the National Security Law, prosecutors said.

It was an unprecedented case for a lawmaker to make unauthorized contacts and visits to North Korea.

But the legal controversy on the National Security Law and espionage charges may be brought back alive like the case of the Rev. Mun Ik-hwan.

In connection with his authorized visit to Pyongyang, dissident leader Mun is now on trial. The indictment against novelist Hwang has been suspended as he has not returned. He is now in West Germany.

Prosecutors worry that some dissidents and students activists may follow suit of So.

At a time when student activists are attempting to sneak into the North to take part in the 13th World Festival of Youth and Students, the revival of controversy over the National Security Law is not desirable, prosecutors said.

A heated pro-Pyongyang boom has been, in fact, precipitated by dissidents and student activists who advocate the festival participation.

So's Arrest May Lead to Crackdown

SK2906011489 Seoul THE KOREA HERALD
in English 29 Jun 89 pp 2, 3

The arrest of opposition lawmaker So Kyong-won is certain to provide the government with fresh ammunition to intensify its ongoing crackdown on leftists and sympathizers with north Korea Communists.

The arrest, the second such incident in three months, may give the government a pretext to resume surveillance of its political opponents, including opposition lawmakers.

In April, a dissident lawmaker was arrested for making an unauthorized trip to Pyongyang which led to the intelligence agency's questioning of several opposition lawmakers, all of So's PPD.

Some political analysts warned that So's arrest may touch off a potentially-disastrous ideological struggle between the nation's conservative and progressive forces.

Dissident organizations and the nation's three opposition parties already warned against the government using So's arrest to start repression of its political opponents.

The ideological struggle, if materialized, may lead to reshaping of the nation's political structure which will result in the progressive forces taking a more conspicuous position, the analysts said.

So's arrest is expected to have far greater political repercussions than Mun's.

The opposition lawmaker's arrest may lead to a full-scale investigation of opposition lawmakers for their possible secret visits to Pyongyang or making contact with north Korea agents.

A highly-placed government source, hinting that such a probe is already under way, yesterday said that he knew at least two to three more PPD lawmakers went to the north without the government's permission.

The source, requesting anonymity, said Pyongyang is a high PPD official, the source said, while refusing to elaborate.

The source also said that he had no information at the moment indicating whether PPD President Kim Tae-chung was aware of their illegal trips to the north.

So's arrest has dealt another blow to the nation's largest opposition party which strongly advocated dialogue and exchanges with the Communist north

Kim acted swiftly to minimize the damage by deciding to expel so from his party yesterday.

But the opposition lawmaker's illegal trip is believed to have caused irreparable damage to the image of the party, along with the Mun case, the analysts said.

The dissident pastor is the elder brother of PPD Vice President Mun Tong-hwan, also a noted dissident.

Speculation was rife on whether Kim had, in unprecedented behavior, kept a low profile.

If Kim knew about it in advance, though this is unlikely, they said, it will put Kim in real trouble, which will lead to his own prosecution.

So's arrest will likely force President No Tae-u to advance his seemingly overdue plan to shake up his cabinet.

The ruling DJP joined the second largest opposition RDP to urge No to take action to hold pertinent cabinet members and other officials accountable for the two incidents.

They claimed that it seemed certain that So's visit went undetected by the nation's intelligence agencies, as Mun's trip late March to early April to Pyongyang did.

Removal of the intelligence chief Pak Se-chik was widely predicted right after Mun's arrest, along with Justice Minister Hu Hyong-ku.

But the government has refused to either confirm or deny that the Agency for National Security Planning knew of Mun's departure for Pyongyang in advance.

But this time, the intelligence agency seemed really not to have detected So's trip to Pyongyang until so reported it to the agency recently.

A high ruling party official angrily commenting on the So case, said, "A gaping hole has been made in the nation's security system."

The two incidents may prompt the government to reconsider its announced plan to trim the intelligence organization to make the agency end its surveillance of political opponents.

Investigation Expands to Colleagues

SK2906044789 Seoul YONHAP in English 0303 GMT
29 Jun 89

[Text] Seoul, June 29 (YONHAP)—An investigation of a secret visit to North Korea by an opposition lawmaker last year is expanding to party colleagues and fellow labor and religious activists suspected of having made similar trips to Pyongyang.

Security agents also suspect Rep. So Kyong-won of the No. 1 opposition party, the Party for Peace and Democracy (PPD), of having made previous secret trips to Pyongyang.

Investigators say So's professed length of stay in Pyongyang—two nights and three days—was too short as a first visit in light of the communist North's past practices.

"If we continue our investigation of Rep. So, we think new facts will arise," a ranking official of the security agency said.

"There are no exceptions in investigations of secret visits to the North and, if necessary, politicians and religious figures will be subpoenaed for interrogation regardless of their status," he added.

There is no word on who may be called in for questioning, but high-ranking officials of So's party and some aides to lawmakers are thought to be on the list.

The security official, speaking on condition of anonymity, said agents will investigate PPD members as well as activists, including those in religious circles, who met with So before or after his trip to Pyongyang to try and determine if So received money from the North and whether he followed orders from Pyongyang.

If necessary, investigators will call in PPD leader Kim Tae-chung as a witness, he said.

Park Se-chik, director of the Agency for National Security Planning (formerly KCIA), told senior members of the Cabinet and the ruling party that his agency has been unable to trace those who accompanied So to Pyongyang in August last year.

He said So aide Kim Yong-nae and his assistants are suspected of being deeply involved in the case.

Pak said his agents have searched the office of the National Catholic Farmers Mission in the central provincial city of Taejon and arrested two members of the mission for interrogation.

So, a 52-year-old former activist farmer who was elected to his first-term at the National Assembly in the general elections in April last year, was put behind bars early Wednesday, three days after he surrendered to security authorities.

So served as leader of the National Catholic Farmers Mission, one of Korea's largest organizations of activist farmers, until he won the National Assembly seat as a PPD candidate.

After So was arrested, the PPD stripped him of his party membership and denounced his secret trip to the North as an "unacceptable betrayal of the party."

The PPD also said it will go through legal procedures for So's resignation from his National Assembly seat.

Repercussions of Trip Viewed

SK2906024089 Seoul THE KOREA TIMES in English
29 Jun 89 p 6

[Editorial: Lawmaker's Illegal NK Visit]

[Text] It is outrageous that a member of the National Assembly should illegally visit Pyongyang last August and meet with North Korean leader Kim Il-song but keep it secret for the last 10 months. Now, the lawmaker has been arrested and is being interrogated by the investigation authorities. This is shocking news, perhaps the worst since the unauthorized trip to the North of dissident pastor Mun Ik-hwan in April.

The lawmaker is Rep. So Kyong-won of the first opposition Party for Peace and Democracy led by Kim Tae-chung. So's case is in some points worse than that of Mun's, whose visit to the North was made public to the

world after his entry there without permission of the government. But the PPD lawmaker seems to have been obliged to surrender himself to the authorities because his illegal Pyongyang visit had been all but confirmed by the investigation authorities.

So reportedly contacted North Korean operatives in as early as 1985, while he was the president of the Catholic Farmers Association, a dissident religious organization, and actually entered Pyongyang in July, 1988, shortly before the Seoul Olympics, but concealed the fact until last Thursday, just a week ago.

It was belatedly learned that he had boasted of his meeting with Kim Il-song in a gathering of friends and there was something fishy about his manner. Yet, his strange conduct had gone without serious attention. If reports are true that he consulted with Stephan Cardinal Kim Su-hwan on his North Korean visit, the case will take on a new phase.

Upon his apprehension by the Agency of National Security Planning [NSP] he was reported to have told the press that he visited the North at the dictates of his conscience, showing no sign of repentance, of course. At this point, his actions must be critically questioned. His activities before and after his clandestine travel to the North Korean capital need to be thoroughly probed. If he were continuously engaged in contacts with the North Korean operatives, he should be suspected of spying for the North Koreans.

It is quite natural that PPD leader Kim Tae-chung issued an apology to the people and took punitive measures against the delinquent lawmaker, including his expulsion from the party and deprivation of the Assembly membership. But a question that poses itself is why the opposition party did not take counter-steps against him as early as possible. According to initial disclosure, So reported to PPD president Kim last Thursday but remained silent for five days until after the arrest of the lawmaker on Tuesday night.

Hardly understandable, moreover, is the fact that Kim Tae-chung threatened in a public speech the same day that his party would launch a fierce extra-parliamentary struggle against the government, unless the No Tae-u regime completed the liquidation of the previous Fifth Republic. From common sense, the PPD leader was not in a position to bluster if he was concerned over So's case. Kim was said to have met with NSP director Pak Se-chik on the matter previously. Kim's behavior might well be construed as having been aimed at influencing the law-enforcement authorities in favor of party lawmaker So.

Under the good cause of national unification, following good conscience, democratization, welfare of the people etc., a variety of unreasonable and illegal acts have been perpetrated by leftist, radical, dissident forces. This

tendency is apt to lead the people to wrong judgments of value and bring about ideological confusion in society. It is the last thing we want, for citizens of goodwill to be beguiled.

In the meantime, there must be something wrong with the investigation authorities, the National Security Planning Agency in particular. What had the intelligence organization done about the opposition legislator's contacts with and entry into the North Korea for so long a time? If the agency had not known of the subversive development, there must be a big loophole in the nation's intelligence network. Responsible officials should take due responsibility for their incompetence, the second in the wake of the Mun Ik-hwan case.

No Vows To Fight Violent Leftist Groups
SK2706061489 Seoul YONHAP in English 0527 GMT
27 Jun 89

[Text] Seoul, June 27 (YONHAP)—"Left-wing fanatics" have infiltrated not only South Korea's schools but also the worlds of industry, literature, publishing, theatre and education, forming tightly knit cells and building solidarity, President No Tae-u has warned.

Reiterating his determination to fight head-on against violent and destructive leftist revolutionary groups in an interview for the next issue of the ruling party newspaper MINJONGDANGBO, No said, "under democratic reforms, leftists have thrown off their masks, hoisted red flags and openly shout slogans of revolution."

As for future economic policies, No said he will expedite institutional reforms to realize economic justice by introducing public ownership of land and real name financial transactions.

Pointing out that the economy is faced with difficulties in exports, investments and prices, No said his government will readjust its economic policy to find a solution.

He also reaffirmed his opposition to the outlawed teachers union.

"The primary position of the government is not to allow the organization of a teachers union. However, the government will make its best effort to realize educational reform and to help teachers achieve what they want," No said.

A breakthrough in reunification of the Korean peninsula will come in the near future if the capabilities of the people are united firmly, he said.

He said Pyongyang will not improve relations with Seoul if every individual approaches the North under the pretext of reunification.

Touching on the domestic political front, No repeatedly made it clear that he opposes the opposition demand that ruling party lawmaker Chong Ho-yong resign.

"It is undemocratic to designate a particular individual for political punishment and to decide whether to punish depending on public opinion," he said.

Past wrongdoings should be swept away, but democracy demands not only a just purpose but democratic procedures so that "a person who conducted wrongdoings in the past would be treated in accordance with the law," No said.

He said he will leave the treatment of Chong in the hands of the national assembly because it is controlled by opposition parties and has the capacity to handle the case in accordance with the law.

Chong has come under opposition fire because he was commander of the Special Warfare Command at the time it conducted the bloody military crackdown on a civil uprising in Kwangju in 1980.

Security Officials Report 126 Leftist Groups
SK2806031089 Seoul YONHAP in English 0250 GMT
28 Jun 89

[Text] Seoul, June 28 (YONHAP)—South Korea has 126 leftist groups promoting violent revolution with 10,500 core members, security authorities said Tuesday in a report submitted to the ruling Democratic Justice Party.

The report identified the leftists as 6,500 students, 2,200 workers, 1,000 people in publication, culture and education and 800 in religious and dissident groups.

The groups are characterized by a double layered organization—open and underground—and strictly demand that members obey security rules to protect their activities, the report said.

Their goal is the reunification of South and North Korea under communist rule, according to the report.

Among the 126 groups listed in the report are Chondae-hyop (the National Alliance of Student Representatives), Chonminnyon (the National Alliance of Democratic Movements), the Catholic Farmers Mission, the Korea National Council of Churches and the National Teachers Union.

Publisher, Reporter of Farmers Monthly Arrested
SK2806055689 Seoul THE KOREA TIMES in English
28 Jun 89 p 3

[Text] The Agency for National Security Planning Monday arrested the publisher of a monthly for farmers and one of its reporters on charges of allegedly violating the National Security Law.

Publisher Kim Chun-ki, 51, an associate professor at Songnam's Singu Junior College, and reporter Yi Sam-hyong, 24, an agro-economics senior at Korea University, were accused of having instigated farmers to wage anti-government and anti-American struggle.

College Begins Procedures Against Activists
SK2806062489 Seoul THE KOREA TIMES in English
28 Jun 89 p 3

[Text] Seoul National Teachers College, considering taking disciplinary action against about 120 students in connection with the prolonged campus turmoil, yesterday started to interview them one by one.

A school spokesman said that at least 20 diehard student activists, who were responsible for the school closure since May 1, would be ousted.

Those key figures in the campus unrest still refuse to make a commitment to the restoration of peace and order on campus, the spokesman said.

The punishment of the others will range from simple warnings to indefinite suspension from school.

Seventy-five professors, divided into 11 groups, had completed a list of punishable students and started the screening work, the spokesman added.

The punishment procedures were discussed at a faculty meeting held yesterday on a request from the Education Ministry that partially lifted its sanctions on the school Monday, enabling it to resume administrative work.

The ministry ordered an expulsion of "trouble-making" students who were responsible for the campus closure.

The ministry made it clear it would not guarantee the full normalization of the school unless the key student activists are expelled.

But the school authorities want to scale down the scope of the punishment.

As soon as the cleanup work is completed, school administrators will call on the ministry to lift the shutdown order, it was also reported.

Daewoo Shipyard Back To Near Normal Operations
SK2906005289 Seoul THE KOREA HERALD
in English 29 Jun 89 p 3

[Text] Koje, Kyongsangnam-to—The Daewoo shipyard regained a degree of normalcy yesterday as most blue- and white-collar workers returned to the job.

A company spokesman said 12,034 shipyard workers, including 2,807 white-collar workers, reported or work, showing a work report rate of 93.5 percent.

Nearly all workers spent most of their time yesterday cleaning and removing debris and garbage left around their work sites during the strike period.

Shipyard workers, in groups of three to five, were seen removing wall posters of painted letters, symbols of bitter confrontation between labor and management during the strike.

Heavy equipment and inflammable materials as well as company documents were brought back inside the shipyard. They were removed from the shipyard premises for fear of a police raid on the strikers.

The work resumption came one day after a majority of the unionized workers approved a draft labor-management agreement rejected by union representatives on Tuesday.

Shipyard workers returned to the job 31 days after they virtually stopped work in a pay dispute.

Representatives of labor and management, in yesterday's meeting, shared the view that they will agree on a final settlement sooner or later and both sides will strive for early normalization of the shipyard.

Company officials said it would take a few days before the shipyard is fully operational since there are unresolved issues such as the release of workers arrested for violence during the labor dispute.

Daily Criticizes Government Stance

SK2806082589 Seoul HANGYORE SINMUN in Korean
27 Jun 89 p 6

[Editorial: "Dispute at Daewoo Shipyard Must Be Settled in a Self-Governing Manner"]

[Text] The government has been overly coercive toward the labor dispute at the Daewoo Shipbuilding and Heavy Machinery. It is true that the Daewoo Shipbuilding and Heavy Machinery is one of the capital industry plants whose normalization is being sought through the government's active assistance. However, the Daewoo shipyard is just one of many large business enterprises and, accordingly, labor disputes can occur at this enterprise as well. Furthermore, in the case of Daewoo shipyard, comparatively speaking, the probability of a labor-management dispute has been very high, because problems have accumulated and become entangled. In particular, the reinstatement of those dismissed and a wage freeze for 1989 have become points of serious dispute.

Nonetheless the government, at the security and economic ministers' joint meeting which was presided over by Prime Minister Kang Yong-hun on 23 June, adopted a hardline stand by deciding to regard the Daewoo situation as a part of security affairs. The series of steps which have been taken according to this stand have been against the general

principles applied in the arbitration of labor disputes. At the same time, the government's steps are a blatant manifestation of its intention to suppress the labor movement and is not legitimate either.

The government may think that the Daewoo shipyard situation is not a mere labor-management dispute but is a crucial matter that creates social disorder. But if we consider the cause of the dispute, its objectives, and the means employed in the course of the dispute, it is certain that the Daewoo situation still comes under the category of a labor dispute. Accordingly, the hardline steps taken against the Daewoo shipyard labor dispute are far apart from the universal principle of settling labor disputes in a self-governing manner.

Next, any armed intervention in the Daewoo shipyard labor dispute will be construed as a part of the suppression of the labor movement. This is clear, because the government has decided to resolutely counter the Daewoo shipyard situation in order to prevent the escalation of labor disputes, which have unceasingly developed recently. At the same time, the intention to suppress the labor movement is also clearly revealed in the government's attitude of not trying to find the true cause of the dispute in the "disagreement in opinions of the parties concerned" and in its attempt to arrest hardline union members belonging to the "Promotion Committee for the Democracy of Trade Unions," by regarding the dispute as their "political struggle."

The government's coercive attitude toward the Daewoo shipyard labor dispute is not legally justifiable either. Though the Daewoo Shipbuilding and Heavy Machinery has been designated as a defense industry enterprise, defense-related work is only one part of the entire operations of this enterprise.

In this respect, the government's hardline steps, which are intended to settle the Daewoo situation, will rather aggravate the situation. The Daewoo shipyard labor dispute must be settled through the self-governing negotiations of those concerned. This is the only way to settle the situation.

Police Arrest 5 Unionists in Bando Strike
SK2806074289 Seoul THE KOREA HERALD
in English 28 Jun 89 p 3

[Text] Puchon, Kyonggi-to—Police have arrested five of the detained 67 unionized workers of Bando Sports Co. here, a subsidiary of the Lucky-Goldstar Group.

Puchon Police arrested five executive members of the labor union, including its chairwoman Pak Kyong-hwa, on charges of obstructing official duties and assault charges.

Police also sent 20 unionized workers to summary court trials and released 42 others.

According to police, Pak and four others are charged with leading an illegal strike since April 27.

They reported a dispute occurrence to authorities last April 19 and began a job stoppage April 27 during a cooling-off period.

Arbitration Fails To Mediate Bank Wage Disputes
SK2806035489 Seoul THE KOREA TIMES in English
28 Jun 89 p 10

[By staff reporter Yi Chang-sop: "Wage Dispute Mediation Fails as Bank Chiefs Refuse To Meet Union Leaders"]

[Text] The Central Labor Arbitration Committee yesterday failed in its bid to mediate the wage disputes at six commercial banks as the bank presidents refused to meet with union leaders.

The union leaders registered a strong protest against the presidents for failing to appear at the conference table and asked them to issue "declarations of conscience."

It was the third meeting arranged by the labor mediator but the six bank presidents sent their vice presidents and executive directors to the meeting instead.

The two sides reluctantly agreed to meet again but no date was set for the next meeting session. Vice presidents and executive directors offered to hike wages 10 percent, which union leaders refused.

Union representatives urged the presidents to make good on the tentative agreement between management and the unions which would give employees a wage hike of 14.5 percent in basic salary.

A union leader argued that the presidents, under pressure from the government, have turned into "scarecrows." He said, however, the union members have sympathy for their presidents, who he said "must be suffering from the government pressure."

He added, "we believe these presidents want to sign an agreement with the union over the previous tentative accord, which calls for hiking the basic salary 14.5 percent."

Management of the six banks made apparent efforts yesterday to persuade their employees to abide by the government's wage guideline.

The six banks held a series of education sessions under the title of "The Present Situation of Korea's Economy and Wage Hikes." But most union members refused to attend the special lectures.

One union member said, "Such an education sessions are not of any help to mitigating our sentiment."

The Korean Federation of Bank & Financial Labor Unions appears to be in a dilemma after its attempt to hammer out a compromise solution with management failed yesterday.

The federation has threatened to let the union vote on whether to strike or not. The federation believes that the government might tender a mandatory arbitration offer to the unions before the federation holds a union vote to set strike date.

The government's final arbitration will block the bank unions from holding a strike and forces them to renew their cooling-off period for more than 15 days. It is illegal for public organizations such as banks to strike after the government issues an "ultimatum" of this type.

In the meantime, two state-run banks—Citizens National Bank [CNB], and Industrial Bank of Korea—said they decided to abandon their "lunch-time walk-outs" as what they saw as legal protest action had antagonized their customers.

They believe without public opinion behind them, their wage struggle will end in a complete failure.

Several cases of pushing and shoving between bank clerks and customers were reported over the past several days.

A customer in Anyang, south of Seoul, showed his extreme anger by throwing a telephone at a clerk of the local branch of the Citizens National Bank for refusing to accept his deposit during lunch time.

The angry protester wanted to make a deposit but the female clerk, at the tick of 12 o'clock, refused to accept his deposit and left the office. After a raucous shouting match, the customer was said to have thrown telephone into the branch office.

A customer in Seoul was said to have rushed to the branch manager at a CNB branch to protest the long delay in the handling of his withdrawal.

Union leaders, after receiving reports of many protest incidents, decided to halt their "lunchtime walkout" for the convenience of the customers.

The six banks and the three state-run banks, including the Korea Housing Bank—began emergency operations to prepare for a possible strike.

Each bank has mapped out its own contingency plan in cooperation with the Finance Ministry and the Bank of Korea.

These banks plan to mobilize retired female clerks and students on a part time basis to ensure normal operations in case of a strike. Many banks will shift the staff in

remote branches and offices into central branches. They also plan to lengthen their business hours and mobilize computer programmers to ensure trouble-free on-line operation.

They will also ask the police to increase security in and around the branches and head offices. The central bank plans to extend emergency funds if necessary to prevent unexpected corporate bankruptcy.

An official of the Office of Bank Supervision & Examination said he has had a tough time in mapping out contingency plans as there is no precedent for bank strikes in the whole world.

Unification Church Paper Demands Union Disband
SK2806023489 Seoul YONHAP in English 0138 GMT
28 Jun 89

[Text] Seoul, June 28 (OANA-YONHAP)—A daily newspaper owned by the Unification Church gave its day-old labor union 24 hours to disband Tuesday, vowing to shut the paper if it refused.

"The Reverend Mun Sun-myong (church founder and chairman of the Korean-language daily) would rather close the company than allow the labor union," said Kwak Chung-hwan, president of the SEGYE TIMES.

Following establishment of the labor union Monday, company executives discussed shutdown procedures Tuesday afternoon and threatened to put them into effect Wednesday unless the union dissolved itself.

"We are determined to fight against the company's unfair infringements and crackdown upon the union," responded 120 unionists and sympathizers in an emergency meeting Tuesday night.

The SEGYE TIMES, described as a rightwing paper, was one of many newspapers to spring up in South Korea since President No Tae-u took office in February 1988, began publishing Feb. 1.

Other daily newspapers with links to the Unification Church include THE WASHINGTON TIMES in the United States and the SEKAI NIPPO in Japan.

In line with the recent democratic movement rampant in Korea, unions were set up in major newspapers and TV stations.

No Compromise Seen in Wage Confrontations
SK2706040689 Seoul THE KOREA TIMES in English
27 Jun 89 p 8

["News in Review" by assistant economic editor Kim Chum-tong: "Efficient Comprise Skill, Decisive Policy Measures Needed to End Labor Unrest"]

[Text] Tired of violent confrontation almost in every sector, everybody is hungry for encouraging, happy news these days. However, in this country where compromise is seen as weakness, feuding seems to be endless.

Everyone wants an end to the violent labor disputes that have been shaking the nation's economy. Both poorly-paid workers and high-paid white collar ones as well have been crying for a raise. Farmers try to raise the prices of their agricultural products and businessmen seek to increase the prices of their industrial goods as much as their wage hikes.

Some people are concerned that President No Tae-u is not the kind of decisive, forceful leader the nation needs to deal with the growing social and economic crisis.

That concern intensified last week as the Cabinet economic team appeared to be muddling over pressing economic issues. The team, headed by Economic Planning Minister Cho Sun, revealed a package to rescue the economy from a purported crisis.

The package, however, contains no promising or resolute suggestions. It came under sharp criticism from both labor and management representatives.

Businessmen denounced, among other things, the government plan to regulate the total money supply under 17 percent this year to hold consumer price increases to the initially-targeted 5 percent. They also insisted that the recent sagging investment is primarily due to the shortage of funds.

Meanwhile, labor leaders condemned as absurd a proposed wage raise ceiling of 10 percent. Labor unionists at banks said it is irrational to force them to accept single-digit raises, totally ignoring the double-digit raises nearing compromise with their managers.

The 10-percent ceiling was belatedly proposed after most trade unions at major enterprises had agreed with management for a raise of around 20 percent. Now, the feuding at banks over pay raises seems to have been developed into a confrontation between bank labor unions and the government.

If this country is to become a stable democracy, efficient compromise skill should be developed, thus putting a period to violent feuding.

The labor disputes during the past five months have caused production losses worth more than 3,000 billion won and export losses worth more than \$1 billion. What is more serious is the fact that the competitive power of the nation's industrial exports was weakened at home and abroad.

Direct investment by foreigners in Korea in the first five months of this year fell 31 percent from a year earlier. This setback was mainly due to soaring wages and labor disputes. Some foreign investors, seeking cheaper labor, moved from Korea to such Southeast Asian countries as Thailand, Indonesia and the Philippines.

The haves and business conglomerates should think of those living in the shadows of the shining factories and skyscrapers. They should think of those workers who have received rock-bottom wages and endured being badly treated. The role of conglomerates, which achieved rapid development thanks to the protection and support of the government, is of great importance in solving the current crisis.

What is seriously worsening the position of the nation now is the fact labor disputes are coupled with discipline and morale problems.

Who, or what, is responsible for the critical issues? Should the nation follow the steps of some of advanced Western nations, where serious discipline problems are on the upswing. Drug abuse, alcoholism, peer pressure, violence in school, teenage pregnancy, dropping out of school and sexual permissiveness are among the big problems that high school students face today in the United States.

If the present trend at social morals and discipline is left uncontrolled, problems similar to those taking place in the United States will certainly occur here in the near future.

Daily on Turning Point of Labor Movement
SK2806053589 Seoul CHOSON ILBO in Korean
27 Jun 89 p 2

[Editorial: "The Turning Point of the Labor Movement—Will It Be Labor Unionism or Revolutionism?"]

[Text] Because of the task for political democratization, for some 30 years since the 16 May incident, we had to suffer disorder and bloodshed. But since that is now making a somewhat steady headway a new issue has begun to shake up the whole nation. That is the issue of the workers.

How we deal with the so-called issue of the social stratum or the issue of the classes can ruin or prosper us. To that extent, this issue is a life and death question which can influence our nation's fate.

In relation to this, to deal with this issue to avoid ruination, we would like to bring up a fundamental position.

In a word, there are two kinds of labor movements in which one is labor unionism that pursues industrial democratization and the other is the revolutionary labor movement that regards the establishment of a working class revolutionary government as the ultimate goal. Therefore, it is our belief to avoid ruination that we must establish our labor movement toward the direction of the former.

Of course the general trend in our labor movement is made up of democratic labor unionism and an absolute majority of the labor movement activists are of the same opinion. We also do not doubt that in the future the labor movement will move toward that kind of sound direction.

However, amid the words and behavior that we hear and see from time to time are, for example, condemnations that "labor unionism is economism, reformism, and compromise and this is a scheme to cage the working class forever as slaves of the bourgeois wages." How can we truly explain this kind of argument? They argue that, from that point of view, genuine labor movement must not be one to get pennies in wage increase but must ultimately be one to ceaselessly escalate the struggle and help the working class seize power and establish the state of the working class, in place of the one dominated by the bourgeoisie.

Therefore, when we look at the history of the world's labor movement, this kind of faction at first mobilizes the working masses by exposing the issue of wage and welfare or the irregularities of the employer. After that,

they touch off endless confrontation to influence them toward the revolutionary political struggle. Therefore, this faction will try trying every means to break up the compromise between labor and management or the harmonious coexistence.

When looking at this from the ideological standpoint, the road taken by the labor movement was the road toward a welfare state just as in West and Northern Europe, and the road taken by the revolutionary labor movement was the road toward Leninism. It is needless to say that the road that we should take is the road toward the former.

If we do not want to ruin the ROK, we must carry out a thorough ideological struggle to prevent this kind of Leninist theory of class revolution and class liberation from infiltrating our labor movement. The hegemony of the labor movement must be continued to be held by democratic labor unionism and the industrial democratization side. To realize this, we should no longer hush up this issue but be prepared for an open ideological struggle toward the democratic labor unionism of the labor movement as a revolutionary political struggle.

Burma

NLD Executive Committee Member Arrested

BK2906012989 Bangkok BANGKOK POST in English
29 Jun 89 p 6

[Text] Burma's military government arrested a top official of the main opposition party yesterday as part of an intensified crackdown on dissent, a party spokeswoman said.

Authorities seized Aung Lwin, a member of the nine-member executive committee of the National League for Democracy [NLD], said spokeswoman Ma Theingi. She was reached by telephone in Burma's capital of Rangoon by AP.

She said authorities on Tuesday [27 June] had arrested three student leaders, including Nyo Tun and Zaw Zaw Aung of the All Burma Federation of Student Unions. The federation was formed during last year's popular uprising against authoritarian rule.

Also arrested on Tuesday, she said, were a member of the People's Progressive Party and a member of another political party, the National Democratic Front.

It was not immediately known what charges they faced. A government spokesman recently warned that citizens should be aware that Burma still is under martial law.

Ma Theingi said more than 2,000 members of the National League for Democracy have been arrested since last September, when army chief General Saw Maung took power and crushed street protests by shooting and jailing demonstrators.

Aung San Suu Kyi, general secretary of the league and Burma's leading opposition figure, said yesterday the authorities "are trying to tighten things up but it has been coming for a long time."

SLORC Issues Order on Party Publications

BK2706145889 Rangoon Domestic Service in Burmese
1330 GMT 27 Jun 89

["Order No 3/89 of the State Law and Order Restoration Council (SLORC), dated 27 June 1989—the 9th day of the waning moon of Nayon, 1351 Burmese era"]

[Text] 1. The period since the Defense Forces assumed state power is under martial law, and this is known to all the people.

2. Political parties that will run in the democratic multiparty general elections have registered with the Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and other social organizations have registered with the Ministry of Home and Religious Affairs in accordance with the Associations Registration Law.

As of 27 June 1989, a total of 226 political parties have registered with the Commission for Holding Democratic Multiparty General Elections, and 57 organizations have registered with the Ministry of Home and Religious Affairs.

3. Although there are organizations registered in accordance with the law, there are also illegal organizations that not registered with either the Commission for Holding Democratic Multiparty General Elections or the Ministry of Home and Religious Affairs that are illegally printing and publishing documents, books, and printed material with the aim of disrupting law and order and regional tranquillity and to oppose and defy the state government. There are a total of 48 such organizations.

4. Moreover, there are also 51 other bodies that go under the name of student organizations and were established to illegally organize, operate, and print and publish documents, books, and printed material without registering with the Commission for Holding Democratic Multiparty General Elections or the Ministry of Home and Religious Affairs.

5. Legal organizations that have registered with the Commission for Holding Democratic Multiparty General Elections or the Ministry of Home and Religious Affairs and that wish to print and publish documents, books, and printed material, will have to register with the Ministry of Home and Religious Affairs and apply for exemption in accordance with the 1962 Printers and Publishers Law. After obtaining the exemption, they may print and publish any document, book, and printed material on the condition that they do not contain material that:

- Opposes the SLORC, the regional law and order restoration councils at different levels, or the government;
- Insults, slanders, or attempts to divide the Defense Forces;
- instigates action that affects law and order and peace and tranquillity; and
- Contradicts the orders that have been issued wherever necessary.

They may print and publish without prior approval documents, books, and printed material that clarify the policy, stand, programs, organizational methods, and discipline of their parties and that boost their chances of winning in the election.

6. Effective action will be taken in accordance with law against illegal organizations that have been operating, organizing, and illegally printing and publishing documents without registering with the Commission for Holding Democratic Multiparty General Elections or the Ministry of Home and Religious Affairs.

7. Action will be taken in accordance with the powers bestowed under martial law should authority be challenged with the intention of opposing the government's warning.

Signed: Brigadier General Khin Nyunt, secretary-1, SLORC

Brunei, Malaysia & Singapore

Malaysia

Japan Agrees To Cut Interest Rate on New Loans
BK2906051289 Kuala Lumpur BERNAMA in English
0408 GMT 29 Jun 89

[Excerpt] Kuala Lumpur, June 29 (OANA-BERNAMA)—The Japanese Government has agreed to reduce the interest rate on new loans to Malaysia to 2.9 percent from 3.5 percent following the appreciation of the yen, Deputy Foreign Minister Dr Abdullah Fadzil Che Wan said.

However, Japan did not agree with Malaysia's proposal to repay at an interest rate of 2.9 percent loans taken at interest rates exceeding 3.5 per cent, he told Parliament Thursday.

He said further discussions on the matter would be held with the Japanese Government.

He said the Japanese Government had also agreed to give Malaysia a five million ringgit (1.85 million U.S. dollars) grant to buy a projector for the National Space Science Centre.

On the resignation of former Japanese Prime Minister Noboru Takeshita, he said it did not affect Japan's relations with Malaysia and ASEAN.

Abdullah said under the Japanese system of administration, the commitment and guarantees made by Takeshita were from the Japanese Government and not personal ones. [passage omitted]

Refugee Inflow Strains Bidong Camp Facilities
BK2806071189 Kuala Lumpur International Service
in English 0600 GMT 28 Jun 89

[Text] A growing flood of refugee arrivals has overstressed facilities at the Pulau Bidong Refugee Camp. The monthly bulletin of the United Nations High Commissioner for Refugees, UNHCR, says the camp located on the island 300 km northeast of Kuala Lumpur normally should accommodate 6,000 people, but is now crammed with more 13,000.

The report says the Malaysian Army will build new huts and latrines on the island to relieve the (?terrible) hygienic condition. The camp lacks toilet facilities and drinking water which is transported to the island by the UNHCR.

Mahathir Presents Midterm Economic Review
BK2806114489 Kuala Lumpur BERNAMA in English
1053 GMT 28 Jun 89

[Text] Kuala Lumpur, June 28 (OANA-BERNAMA)—Malaysian Prime Minister Dr Mahathir Mohamed Wednesday credited Malaysia's economic recovery to the determination and sacrifices of all Malaysians, and invited them to work harder still for the future well being of the country.

"The results of these sacrifices and efforts are a momentous tribute to the nation. Our economy has rebounded," he said when presenting to parliament a report on the mid-term review of the current Five-Year Development Plan launched in 1986.

Mahathir said the government was forced to introduce various adjustment measures because the economic conditions following the launching of the plan were more severe than expected.

The economic turnaround since 1987, reinforced by a record surplus in the nation's external account as well as improvements in the government's fiscal standing, demonstrated the effectiveness of these measures.

The report said that Malaysia, having shrugged off the recession, can expect an average annual growth rate of 5.8 percent from 1986 to 1990, surpassing the five percent target of the development plan.

It also said that the country's gross domestic product (GDP) growth had recovered from a one percent contraction in 1985 to 1.2 percent in 1986, 5.2 percent in 1987, 8.7 percent last year and a projected 7.3 percent this year and 6.7 percent in 1990.

The report recommended that the best growth strategy for the future would be to revitalise the agricultural sector while creating greater links with the industrial sector.

Growth in agriculture is expected to be sustained at 4 percent as against the 2.6 percent target in the plan.

Manufacturing, after recording a 3.8 percent contraction for the first time in 1985, rebounded to grow strongly by 12.7 percent during the review period compared with the plan target of 6.4 percent.

The sector is projected to expand by 12.2 percent during the FMP [Fifth Malaysian Plan] period, depending on sustained growth in export-oriented industries and further strengthening of domestic industries.

Mining activities were largely influenced by the developments in the petroleum sector which registered a growth of 4.7 percent, well above the plan target of 3.1 percent.

The services sector, while being severely affected by the economic slow-down in 1985-86, recovered to grow by six percent in 1987-88, due mainly by the transport, storage and communication, finance, insurance and business services.

Due to higher gross national savings, the balance of payments position changed from a deficit of about 1.5 billion ringgit (about 555 million U.S. dollars) or 2.1 percent of gross national product (GNP). [Sentence indistinct]

In 1988, despite a strong pick-up in imports, the surplus continued to remain sizeable at about 4.4 billion ringgit (about 1.6 billion U.S. dollars) or 5.1 percent of GNP.

Although capital inflow was reduced, external reserves stood at about 18.3 billion ringgit (about 6.7 billion U.S. dollars) by the end of 1988, sufficient to finance 5.1 months of retained imports.

Singapore

Paper Questions Thai Policy on Cambodia
BK2806124789 Singapore THE STRAITS TIMES
in English 28 Jun 89 p 18

[Editorial: "A Puzzling Statement"]

[Text] Since the government of General Chatchai Chunchawan came to power last August, Thailand has made a number of surprising moves which, to say the least, departed from the common ASEAN stand on Cambodia. First, it decided to open direct contacts with Hanoi and Phnom Penh. In January, Gen Chatchai invited Mr Hun Sen, Prime Minister of the Phnom Penh regime, to visit Bangkok. The effect of that visit was to enhance Mr Hun Sen's stature and make him less willing to accept a political settlement of the Cambodian conflict. Next, the Thai military, presumably with the concurrence of the Prime Minister's Office, floated the Suwannaphum or Golden Peninsula concept, which envisages Thailand to be the center of a peaceful and wealthy Southeast Asia. Last Thursday [22 June], the military came out with yet another puzzling statement. It said Thailand was against outside powers giving military aid to the four Cambodian factions, including the non-communist groups led by Prince Norodom Sihanouk and Mr Son Sann, whom ASEAN has been supporting for the past 10 years.

The Thai stand, which was said to reflect the views of the military and the Foreign Ministry, may leave many bemused for several reasons. First, it was only on May 10 that Thailand, together with the other five ASEAN members, presented a joint letter to the chairman of the U.S. Senate Foreign Relations Committee urging the United States not to stop all aid, lethal or non-lethal to the Cambodian resistance. What is one to make of the

latest Thai pronouncement? No doubt the six ASEAN foreign ministers meeting in Brunei next week will have much to talk about as they review their common stand on Cambodia.

Second, it is inconceivable that the Thais do not realize that to cut off military aid to the four Cambodian parties now will hurt the two non-communist resistance (NCR) groups more than Mr Hun Sen and the Khmer Rouge. This is because the two non-communist factions led by Prince Sihanouk and Mr Son Sann are already weaker, in terms of numerical strength, armaments and battle experience, than the two communist groups. Keeping the non-communist option viable must mean not only giving aid to the forces led by Prince Sihanouk and Mr Son Sann but also not weakening their hand. Seen in this light, the latest Thai pronouncement might confuse ASEAN's friends who wish to support the NCR. It might also reinforce the argument in the U.S. Congress that with the ASEAN countries themselves unable to get their act together, the U.S. had better stay out of the Cambodian conflict. This is the last thing the NCR needs because the patrons of the communist factions are continuing to provide unstinting support for their clients.

Third, the Thai position will undermine Prince Sihanouk's negotiating strength vis-a-vis Mr Hun Sen, whom he is to meet in Paris on July 24. At that meeting, Prince Sihanouk is expected to try to wrest more substantive concessions from Mr Hun Sen, including incorporating into the Cambodian constitution a provision which calls for the establishment of a non-communist Cambodian government. Prince Sihanouk is unlikely to get his way if Mr Hun Sen gets the slightest impression that support for the Prince is wavering.

One must accept that Thailand is fully entitled to wanting an early settlement of the Cambodian conflict that will not work to its disadvantage. One cannot also fault Thailand for wanting to do business with the Indochinese countries. But the point is it can still do both without compromising certain fundamental principles that have thus far guided ASEAN in its quest for a settlement of the Cambodian problem. Giving the non-communists and Prince Sihanouk a chance to form the next government in Phnom Penh must be one of those tenets.

Cambodia

Hun Sen Agrees to Japanese Role in Peace Talks
OW2906095989 Tokyo KYODO in English 0926 GMT
29 Jun 89

[Text] Phnom Penh, June 29 KYODO—Prime minister of the Vietnamese-backed Government of Kampuchea, Hun Sen, said he agreed in principle to Japan taking part in an international peace conference on Kampuchea scheduled to be held in Paris in early August, according to an exclusive interview with KYODO news service in Phnom Penh.

Hun Sen said he would expect Japan to give financial support in establishing an international control mechanism to monitor a Vietnamese troop withdrawal from Kampuchea and reconstruct their devastated country.

Vietnamese Prime Minister Do Muoi also said in a recent interview with KYODO his country would withdraw all its troops by the end of September.

"Japan has been in a one-sided position (pro-China) so far, but should change that stance and contribute toward a peace settlement now," he said.

Hun Sen said in his interview on Tuesday [27 June] he is optimistic about a planned meeting in Paris with resistance leader Prince Norodom Sihanouk on July 24 prior to the international conference, and indicated he is ready to make some compromise at the meeting.

Hun Sen and Prince Sihanouk had a meeting in Jakarta in early May. They also conducted three rounds of talks in Paris in December 1987 and January and November in 1988.

Hun Sen indicated that the international peace conference might result in a failure because France has prepared a draft agenda which he said could lead to interference in domestic matters within Kampuchea.

Referring to the international control mechanism, Hun Sen said it should be organized with civilians, not with international military forces.

As for a political system after a settlement of the 11-year-old conflict, Hun Sen said the time was not yet ripe for introducing a plural political party system.

In the interview he said a ceasefire among rival factions would depend on what moves the tripartite resistance coalition makes.

He said last May his government would announce a ceasefire unilaterally after the complete withdrawal of Vietnamese troops from Kampuchea.

Hun Sen said if a political settlement is accomplished by the time of an overall withdrawal of Vietnamese troops, a general election would be held within three months with all factions participating.

But he said if a political settlement was not realized, his government would have an election only with the Kampuchean People's Revolutionary Party.

TASS Praises Thai Stand on Aid to Resistance
BK2806111789 Phnom Penh SPK in French 0425 GMT 27 Jun 89

[Text] Phnom Penh, 27 Jun (SPK)—"In its scenario for a settlement of the Cambodian conflict, Washington always bets on armed struggle rather than diplomatic means," noted the Soviet press agency TASS in its 23 June editorial.

Quoting the U.S. press, TASS recalled that through an instruction signed late last month, President Bush authorized the implementation of a secret program of military aid to Cambodian opposition groups. The Bush administration is seeking by all means to "show its support for the rebel forces." In his recent speech, U.S. Vice President Dan Quayle called on the West to "act" and "aid" the noncommunist forces in Cambodia.

The time is ripe for Washington, TASS noted, to reevaluate the situation around the Cambodian conflict. Two informal meetings in Jakarta—whose decisions call for the cessation of military aid and foreign interference—as well as the meeting between the State of Cambodia's Council of Ministers Chairman Hun Sen and Prince Norodom Sihanouk seemed to be clearly showing the road for all parties concerned to follow. We also see the following paths in the search for a solution to the conflict—namely, the forthcoming meeting of Cambodian parties in Paris, the international conference on Cambodia, the withdrawal of Vietnamese troops from Cambodia, and, finally, the general elections.

But Washington, TASS underlined, pretends not to see all of that and not to hear even its own congressmen who have cautioned the administration against supplying arms to Cambodian opposition groups, for such a provision can only protract and intensify the conflict.

Moreover, in the West as well as the East, people understand the situation around Cambodia in a much more realistic manner than Washington. For instance, French Minister Roland Dumas, who recently had talks with the leaders of India, Indonesia, Thailand, and Australia, stated to journalists at the end of his talks with his Vietnamese counterpart, Nguyen Co Thach, that France and Vietnam were convinced that the international conference on Cambodia, scheduled for Paris at the beginning of August, would find an ultimate global settlement for this conflict. Washington should listen to the voice of reason which is being heard both in the West and the East.

TASS also praised the position taken by Thailand in resolutely supporting the cessation of all military aid to the Cambodian opposition groups, for such aid, according to a spokesman of the Thai Supreme Command, "prevents a negotiated settlement of the Cambodian conflict." The same spokesman stressed that Thailand did not support the U.S. efforts to increase aid to the two opposition groups, for "this does not in the least foster

the general trends in the region." Such an attitude shows the state of mind of those who are interested in finding an early political solution to a regional conflict that, however, is full of consequences for the international situation. This position is even more precious as it was adopted by a country which, in the past, had more than once acted in concert with Washington and which is regarded as one of the friends of the United States in the region, TASS said in conclusion.

Article Examines Background of KPRP

Part 1

*BK2206122189 Phnom Penh Domestic Service
in Cambodian 2300 GMT 21 Jun 89*

[First part of a "Documentary article of the party Central Committee's Propaganda and Education Commission": "The Kampuchean People's Revolutionary Party Is the Vanguard of the Cambodian Working Class and People"]

[Text] The patriotic resistance movement and the birth of the Marxist-Leninist party in Cambodia.

The Cambodian people have a tradition of resolute and valiant struggle against foreign aggressors and reactionary powers in the country. Since the 19th century, Western colonialists infiltrated Cambodia with the aim of transforming Cambodia into a colony. After completely conquering Vietnam, French colonialists pressured into submission the Norodom royal family, which signed an agreement on 17 June 1884. Before that, on 11 August 1863, a protectorate treaty was signed. Starting from Cambodia and Vietnam, French troops attacked and occupied Laos in 1893 and set up an Indochinese country under French rule.

The Cambodian people had suffered under the oppressive, repressive yoke of feudalists and, on top of this, were subjugated to French colonialists. Thus, they suffered enormously. Heavy taxes were levied; corvée and forceful recruitment were imposed; and economic and cultural activities stifled. Society was stopped in its advance and went into a decline. Anti-French movements erupted everywhere. Armed revolts took place in Stung Treng, Battambang, Siem Reap, Kampot, Prey Veng, Kompong Chhnang, and Kratie. The Cambodian people's many uprisings were conducted with the cooperation of the Vietnamese people's nationalist movement, particularly in hilly border areas that provided mutual assistance. The anti-French movement—which were led by a number of patriotic princes, monks, peasants, and people—were all defeated because of a lack of proper leadership.

On 3 February 1930, all communist organizations were reassembled to set up a unified party which, in accordance with international communism decision, take the name of Indochinese Communist Party [ICP]. Comrade Nguyen Ai Quoc, that is Chairman Ho Chi Minh, the

first Vietnamese communist and the first communist of the Indochinese nations, was imbued with Marxism-Leninism. He was directly in charge of building up the ICP. The first communist group in Cambodia was set up in the Sisowath High School in Phnom Penh in 1930. Later on, party bases were also set up in Kandal Province and the rubber plantations in Kompong Cham and Kratie Provinces.

Under party leadership, the Cambodian people's revolutionary struggle was sustained and grew from day to day despite the enemies' stringent threats, intimidation, and repression. Worthy of note is the workers' resistance movement in Kompong Cham Province rubber plantations; they demanded an improvement in living standards and the freedom to set up trade unions. People's movements in Phnom Penh took part in demonstrations and submitted petitions demanding the implementation of democratic freedoms and rights during a reception for the French People's Front delegation led by Jacques Godard in Phnom Penh.

During the Indochinese occupation by Japanese fascists, national liberation was the main political goal of the ICP's Indochinese revolution. National liberation was considered an integral part of the world's revolutionary movement. The decision of the party Central Committee's eighth plenum in May 1941 put forward policies to assist the Cambodian and Lao nations, and set up allied and independent organizational structures in Cambodia and Laos. However, these structures did not materialize in Cambodia due to enemy repression. Despite this, the regional party in Cambodia still tried to carry out activities and set up anti-war movements while armed conflicts between Siam and France erupted along the Cambodian-Thai border in 1940, along with the opposition of compatriot vehicle drivers against the order to transport soldiers from Cambodia to Vietnam to put down revolts in South Vietnam. The anti-French movement led by Acha [Cambodian title given to a former Buddhist monk] Hem Chiev then emerged. After the Japanese-French coup d'état on 9 March 1945, Japan's puppet government, with Son Ngoc Thanh as prime minister, was propped up in Phnom Penh. Sihanouk then abandoned the French and followed Japan.

In August 1945, the Japanese fascists capitulated to the allies. Although the party base was still weak and was unable to urge the masses to stage a revolt to seize power, as was the case in Vietnam and Laos, there were a number of things that influenced the masses, particularly a number of patriotic personalities.

On 15 October 1945, French paratroopers landed in Phnom Penh and toppled the pro-Japanese Government. Sihanouk, representing the royal family of the Kingdom of Cambodia, recognized the protection of the French imperialists. A number of Cambodian patriots escaped to South Vietnam and set up a committee of free Khmers. A number of others escaped to Thailand and set up a committee to liberate the Khmer nation. With the

backing of cadres and combatants of the Vietnamese Volunteer Army, the ICP's party administrative committee in Cambodia promoted the movement to struggle against the French and set up the Khmer Issarak armed forces in Battambang and Siem Reap, and set up anti-French bases in forested and hilly areas.

In June 1945, a branch of the communist party was organized in Battambang. Among the members were Cambodians, including Comrade Son Ngoc Minh. The anti-French struggle under the party leadership greatly developed. By the end of 1945, there were one million people in liberated zones, and revolutionary state authorities were set up in 418 communes. There were over 100,000 members of revolutionary associations and mass organizations and over 80,000 militiamen.

Part 2

BK2306071789 Phnom Penh Domestic Service
in Cambodian 2300 GMT 22 Jun 89

[Second part of "Documentary article of the party Central Committee's Propaganda and Education Commission": "The Kampuchean People's Revolutionary Party is the Vanguard of the Cambodian Working Class and People"]

[Text] From 17 to 19 April 1950, the Khmer Issarak Front held a national congress and elected a committee of the National United Front, then under the name Neak Issarak, with Comrade Tu Samut as chairman. Resistance state authorities were set up throughout the country under the Provisional National Liberation Central Committee, known at the time as the National "Pearl Necklace" Central Committee, under the leadership of Comrade Son Ngoc Minh. The congress put forth fighting policies and adopted a national flag and anthem. Cambodia's declaration of independence was then proclaimed to the people and the world.

On 19 June 1951, a united armed force was unveiled at a grand meeting of the people in Tramung commune, Sre Ambel District, Kampot Province. It was named the Issarak Army. By December 1950, the Cambodian regional party had 300 members; the majority of which were Cambodians. They were spread out in 27 party chapters within the army, 28 commune and village party chapters, and a municipal party chapter. Almost all of these party members had been amply tempered through battles. When France dissolved the three colonies and set up three allied countries, the situation in the three countries and the world underwent new changes. The Indochinese Communist Party [ICP] held a second national congress in February 1951 and gave each of the three countries its own party to facilitate leadership. The revolutionary movements of the three countries established an alliance during the Vietnam-Cambodia-Laos alliance meeting held on 11 March 1951.

On 28 June 1951, communist Cambodians in the Cambodian regional party held a national meeting of cadres and set up the Khmer People's Revolutionary Party, including Comrades Son Ngoc Minh and Tu Samut as members. This meeting was considered the first party congress in Cambodia.

The party leadership at that time had greatly developed and had vigorously advanced the Cambodian people's revolutionary cause, thus frightening the French colonialists who were forced to restore independence to the Kingdom of Cambodia. Furthermore, France hastened to prop up a number of other political parties to dupe public opinion. The people's struggle in the three countries—Cambodia, Vietnam, and Laos—culminated in a great victory in 1954 with the Geneva agreement which restored peace to Indochina on the principle of respect for independence, sovereignty, unity, and territorial integrity of the three countries in Indochina. The agreement recognized that French troops should be withdrawn from Cambodian territory.

At the Geneva conference, the Vietnamese delegate demanded a rallying zone for Cambodia, linked to the rallying zones in Laos and North Vietnam, to set up bases for providing mutual support to continue the revolutionary struggle in the three countries. However, through pressure from the Chinese side—which had dark designs—the Geneva agreement did not provide a rallying zone in Cambodia for the resistance forces and they were forced to dissolve immediately. Cambodian state authorities continued to be influenced by the feudal and bourgeois classes. Faced with this situation and in order to preserve the forces for the Cambodian revolutionary cause, the party made plans to send a number of armed party members, combatants, and Cambodians to North Vietnam to wait for a good opportunity to come back and carry out activities in Cambodia. Within the party in Cambodia, on the one hand, some core forces had to be dispatched to North Vietnam; on the other hand, the opportunists Pol Pot, Ieng Sary, and Khieu Samphan—intellectuals coming from France—infiltrated the party and forced their beliefs on the party Central Committee with the aim of seizing the party leadership. This situation changed the activities of the Khmer People's Revolutionary Party and ushered it into a new and complicated phase.

Part 3

BK2406105089 Phnom Penh Domestic Service
in Cambodian 2300 GMT 23 Jun 89

[Third part of "Documentary Article of the Party Central Committee's Propaganda and Education Commission" entitled: "The Kampuchean People's Revolutionary Party is the Vanguard of the Cambodian Working Class and People"]

[Text] The Khmer People's Revolutionary Party [KPRP] following the destructive infiltration by the Pol Pot-Ieng Sary-Khieu Samphan opportunist group, 1955 to 7 January 1979:

After the signing of the Geneva agreement in July 1954, the U.S. imperialists gradually started their infiltration and, later on, totally kicked the French colonialists out of Indochina in an attempt to turn this region into their new colony and military base.

In Cambodia, the U.S. imperialists used their economic and military aid as bait in their attempt to create a satellite force within the ruling circles. At that time, Sihanouk pursued a double-faced policy, that is, domestically he tried to curb the influence of the revolutionary forces while building up the political forces which supported him. Externally, exploiting the balance between the two superpowers in the world, he pursued a policy of peace and neutrality in an attempt to obtain aid from both sides for use in economic and cultural development.

Faced with this situation, the party put forth the tasks to further wage a national and democratic revolution with the immediate aim of opposing the U.S. imperialists' schemes to make us their new colony, to national independence, preserve peace and neutrality, struggle against the Sihanoukist administration, demand the implementation of democratic system in the people's livelihood, and oppose suppression while striving to preserve and build the revolutionary forces of the masses. The party line was officially reflected through the formation of the people's groups and was responded to by immense numbers of the masses both in cities and the countryside.

Faced with the influence of the revolution, the ruling circles sought to oppose us. In March 1955, Sihanouk announced his abdication and established the Sangkum Reas Niyum organization [People's Socialist Community] which included many parties in an attempt to create a new political opportunity in his favor. He deceived the people by making some democratic amendments, and held National Assembly elections in September 1955.

Making use of the democratic amendments, the party sent candidates to participate in the National Assembly elections in order to broaden its influence among the masses. Although the party did not win any seats in the National Assembly, thanks to its correct policy, the Sihanoukist ruling circles dared not openly conspire with the United States and were compelled to announce their adherence to an active policy of peace and neutrality. They established diplomatic relations with and accepted aid from the socialist countries. At that time, the U.S. imperialists carried out massive destructive campaigns in an attempt to topple Sihanouk's neutralist state power.

Under the party's leadership, vigorous anti-U.S. movements took place in various cities of which the most outstanding was the struggle staged by tens of thousands of students in Phnom Penh in October 1961. Seeing the acuteness of this movement and being pressured by the power-holders who were close to the United States, Sihanouk was worried and sought every means to suppress the movement. A number of party members and

cadres became uncertain, doubting the correctness of the party's lines and policies. Some of them abandoned work and some others were arrested. Many party bases were dissolved. The leading organ, that is the provisional central committee which was formed following the signing of the Geneva agreement, was also weakened. Some core cadres turned to join the enemy and some others ceased their activities. Only Comrade Tu Samut carried on his leadership.

On 30 September 1960, the second party congress held secretly in Phnom Penh adopted a political program and amended the party Statute and established the Central Committee composed of eight full members and two alternate members and led by Comrade Secretary Tu Samut. At that time, Pol Pot and Ieng Sary infiltrated the party Central Committee with Pol Pot becoming a member of the Standing Committee. After infiltrating the party Central Committee, the Pol Pot clique managed to sow narrow-minded nationalism among the new party cadres, holding that Sihanouk's policy of an all-out opposition to the United States and preservation of national independence, neutrality, and peace was a pro-Vietnam policy which benefited it and that the political struggle would not bring any good results, in an attempt to cause vacillation in the party policy and vigilance against Vietnam. Moreover, the clique sought every means to recruit supporters and henchmen and introduced the opportunists—bourgeois and intellectual elements who had not yet been tested and tempered—into important leading positions. Meanwhile, it gradually eliminated the genuine cadres and party members.

In August 1962, Pol Pot announced that Comrade Tu Samut had disappeared.

In January 1963, Pol Pot convened a party congress and changed the party's name to the Communist Party with an aim to sever the party's traditional relationship with the Indochinese Communist Party which he accused of being established by the Vietnamese communists for implementing the Indochinese Federation policy to annex Cambodia and Laos. Pol Pot proposed the change of the party name since September 1960, but no unanimous decision was reached.

Under Pol Pot's leadership, this congress concentrated on replenishing the party Central Committee membership, electing the secretary and the Standing Committee members, purging his adversaries, and rearranging everything to suit Pol Pot's position as the general secretary of the party Central Committee. This congress, as well as the subsequent congresses held after Pol Pot and his company seized the power in an attempt to sabotage the party, are not recognized in the KPRP history.

At the end of 1965, Pol Pot went to China seeking long-term support. Utilizing Pol Pot's narrow-minded nationalism and his numerous great ambitions, the Beijing Chinese reactionaries indoctrinated Pol Pot with Maoism.

Upon returning home, Pol Pot erroneously assessed the Cambodian revolutionary situation and planned to implement Mao's people's warfare by inciting a civil war and mobilizing opposition against Sihanouk's monarchy from 1967 through to the end of 1969.

At that time, since the revolutionary bases had not yet been built nor strengthened, this policy caused an outburst of risky uprisings in Samlot in Battambang Province and in Ratanakiri in the northeastern region of Cambodia which were harshly suppressed and badly crushed. Positions were destroyed and the support bases shrank. Moreover, the turning of the direction of the struggle toward Sihanouk was in accord with the U.S. desire to topple Sihanouk, thus creating the opportunity for the U.S. lackeys to broaden their influence within the ruling circles. That situation had led to a pro-U.S. coup d'etat staged on 18 March 1970 by the Lon Nol-Siri Matak [former prime minister in Lon Nol government] group to topple Sihanouk.

Following this coup d'etat, the Cambodian patriotic forces, with the timely cooperation of the Vietnamese army volunteers, launched successive attacks against the enemy. Less than half a month later, they raided the enemy and took control in more than 40 districts and district towns and hundreds of villages and communes in the 10 northeastern and southwestern provinces of Cambodia. The liberated zone was inhabited by more than 4 million people out of the then total population of 7 million. Revolutionary state power was established in many places.

On 23 March 1970, the Cambodian National United Front was born.

On 24 and 25 April 1970, the summit conference of the peoples of the three Indochinese countries had created a bond of the three peoples' militant solidarity against the United States and their reactionary lackeys.

To salvage their lackey, the Lon Nol clique, the U.S. imperialists sent their troops and the Saigon puppet troops totaling 100,000 men to the Cambodian battlefield where they committed countless bloody crimes. Despite this, they were unable to check the massive struggle waged by the Cambodian People's Armed Forces with the immense support and assistance by the Vietnamese Volunteer Army.

At the end of 1973, the liberated zone covered 90 percent of the entire territory with a total population of more than 5 million. The armed forces of the three categories matured rapidly. Vietnam's aid of arms and war materiel increased 10 times compared with the previous period thanks to the fact that the Vietnam People's Army had then opened up the strategic routes cutting across the Truong Son mountain ranges from the northern part of Vietnam to Cambodia.

From 1 January 1975, our people's army launched vigorous attacks on enemy positions, and after a battle, which lasted more than 101 days, Phnom Penh capital city and other parts of the country were completely liberated on 17 April 1975.

After accomplishing their internationalist mission in Cambodia in helping Cambodia to achieve victory over the United States in the cause of national salvation, the Vietnamese volunteer troops were repatriated to their homeland. However, immediately following the grand victory, the great danger sowed by the Pol Pot-Ieng Sary clique, which implemented the traitorous political line, also took place. More than 2.5 million Phnom Penh residents were forcibly driven out of their homes and relocated in rural areas to carry out forced labor. The revolutionary party and army were transformed into instruments to suppress the people in the most cruel and savage manner and to attack fraternal Vietnam in accordance with the perfidious policy initiated by the Beijing expansionists. It is worth noting that the Beijing reactionaries have been well known for their most treacherous tactics during the struggle against the United States in the three Indochinese countries. They thoroughly eliminated Vietnamese people through the implementation of the slogan: China versus United States.

In Cambodia, they indoctrinated Pol Pot with Maoism and induced him to use the Vietnamese forces to fight the United States aimed at weakening Vietnam when the United States was defeated. When the Pol Pot gang was in power after the 7 January 1975 victory, China once again ordered Pol Pot to attack Vietnam according to the slogan: China is fighting Vietnam to completely wipe out the Cambodian people. This was aimed at impairing Vietnam while exterminating the Cambodian people, and resettling millions of Chinese people in Cambodia, then naturalizing them in order to intimidate and dominate Vietnam. This was also for turning Cambodia into China's springboard, cooperating with the forces of the Maoist party and the Chinese residents in order to achieve its expansionism over the entire Southeast Asian region. During the years of fighting the United States, the Pol Pot gang did not stick together with Vietnam according to the internationalist proletarian doctrine, but temporarily used Vietnam in an attempt to attack Vietnam later according to its chauvinist concept. As such, after seizing power, the Pol Pot clique distorted the reality of history and held a grudge against the Vietnamese nation. It considered as its hereditary enemies the people with the brilliant internationalist proletarian spirit, who heroically sacrificed their fresh blood and flesh, their property, their husbands, their children from the time of the war against France to that opposing the United States. The gang plotted to break up and eliminate all the faithful revolutionary party members and cadres accused of being friendly with Vietnam. They indiscriminately killed people they considered suspect, thus generating the genocidal danger. The horrible crimes committed by the Pol Pot regime in accordance

with Mao's scheme was described in detail by Comrade Heng Samrin in his speech delivered at the commemoration of the 7 January National Day in 1984 as follows:

The 3 years, 8 months and 20 days of the genocidal Pol Pot-Ieng Sary-Khieu Samphan regime was the period in which the country was brought to ruin, families separated, and the nation confused. There was neither joy nor laughter, only blood and tears. The nation's spiritual and material values were destroyed and the people's wounds and misery would always be recalled by the generations to come. This is why, the State of Cambodia's National Assembly, at its fifth session, adopted 20 May as the Day of National Hatred for the genocidal regime.

Part 4

*BK2606062589 Phnom Penh Domestic Service
in Cambodian 2300 GMT 24 Jun 89*

[Fourth Part of "Documentary Article of the Party Central Committee's Propaganda and Education Commission" entitled: "The Kampuchean People's Revolutionary Party Is the Vanguard of the Cambodian Working Class and People"]

[Text] The Kampuchean People's Revolutionary Party—the genuine Marxist-Leninist party—was rebuilt simultaneously with the 7 January 1989 victory, thus opening up a new phase of the Cambodian Revolution.

Since 1973, many party members and cadres, who were aware of the Pol Pot clique's true reactionary face, such as those in Veun Sai District of Ratanakiri Province and in Koh Kong Province, left the party.

From September 1975 to the beginning of 1976, many moves against the Pol Pot's repressive regime erupted simultaneously in Battambang, Siem Reap-Oddar Meanchey, Kompong Thom, Kratie, Mondolkiri, Stung Treng, and Koh Kong Provinces.

Along the border, a number of people fled across the frontier into the neighboring countries, mostly to Vietnam. Faced with this situation, the Pol Pot clique conducted even more barbarous suppression. Massive executions in Preah Vihear, Mondolkiri, and Kratie Provinces were personally ordered by Pol Pot. Members of the party and the armed forces suspected by the clique were arrested, jailed, and tortured during interrogations. Many party members and army cadres, including high-ranking military commanders, were killed.

On 25 May 1978, army men in region 203 [eastern region] were barbarously suppressed. Pol Pot signed a resolution ordering the execution of So Phim, first vice chairman of party Central Committee's Standing Committee and secretary of the regional party committee who was also the commander of the military region 203. Since then, chaos and tense situation spread rapidly everywhere.

Through the assistance of the fraternal Communist Party of Vietnam, the Kampuchean Revolutionary Armed Forces were regrouped.

On 2 December 1978, at a place in the liberated zone in Kratie Province, more than 200 representatives held a congress to form the Kampuchean National United Front for National Salvation which put forth an 11-point revolutionary tasks and goals aimed at rallying the entire people to struggle to topple the Pol Pot-Ieng Sary reactionary nepotistic clique and building a Cambodia which is peaceful, independent, neutral, nonaligned, advancing toward socialism.

The front's flag is red with a picture of a five-tower temple in the middle. The chairman of the front's Central Committee was Comrade Heng Samrin. The front established a news agency called PHNEAK-NGEA SARPORDARMEAN KAMPUCHEA or in short SPK and a radio broadcasting station, the Voice of the Kampuchean People.

Seizing the opportunity when the Pol Pot regular forces which invaded Vietnam were defeated by the Vietnam People's Army, the front issued an appeal to the people throughout the country calling on them to cooperate with the Vietnamese Army volunteers in the uprising which toppled the reactionary ruling regime of the Pol Pot clique, Beijing's lackey, and won the great victory on 7 January 1979.

After taking over Phnom Penh capital, the revolutionary armed forces subsequently launched an offensive and totally smashed all enemy's lairs.

Within 6 months of 1979, they put 42,000 enemy elements out of action and seized a large quantity of Chinese-made weapons and war materiel.

On 8 January 1979, the birth of People's Republic of Kampuchea [PRK] was proclaimed to the whole world.

The 7 January 1979 victory together with the birth of the PRK constitutes the greatest and most brilliant and pride-worthy victory in the 2000-year history of Cambodia. This victory has halted the peril of genocide sowed by the reactionary Beijing expansionists and their lackey, the Pol Pot clique, and thwarted Beijing's schemes to turn Cambodia into a new Chinese territory for use in threatening the three Indochinese countries to submit to it and in carrying out its expansion in Southeast Asia. This victory has revived the revolutionary achievements and spiritual and material values built and tempered in the 2000 years of Cambodian history. At the same time, it creates a new force of the Cambodian people who have liberated and become genuine masters of the country for leading the country toward socialism. It also constitutes the common victory of the revolution in the three Indochinese countries, and a victory of socialism, the world's revolutionary movement, and the movement to safeguard world peace.

The most important problem then was the rebuilding of the party. For 4 days at the beginning of January 1979, the surviving Cambodian communists from various sources gathered in a congress, characterized as the third national congress of party representatives, in order to adopt a political program and measures for rebuilding a Marxist-Leninist party and to establish the party building committees throughout Cambodia.

On 18 February 1979, a Treaty of Peace, Friendship, and Cooperation between Cambodia and Vietnam was signed, emphasizing the specially important stage of progress of the bond of militant solidarity and friendly cooperation between the two countries.

On 22 March 1979, a Treaty of Peace, Friendship, and Cooperation between Cambodia and Laos was signed, emphasizing the most important stage of progress of the Cambodian-Lao relations.

On 20 May 1980, the International Council for Solidarity With the Cambodian People which included 80 delegates from various international organizations and countries held a meeting in Phnom Penh capital, signifying that all the peace- and justice-loving revolutionary forces throughout the world support the Cambodian people's revolutionary cause.

From 26 to 29 May 1981, the Fourth KPRP Congress was convened in Phnom Penh capital and attended by 162 members. Delegations of 11 fraternal parties also took part in the congress. The congress summed up the outcome of the 7 January 1979 victory, assessed the situation, and set forth the present tasks of the Cambodian Revolution—to firmly defend national independence and build the motherland in a gradual stage toward socialism.

[Note: the rest of the fourth part, about 6 minutes, was unheard due to power failure at Bang Ping receive site]

Sihanouk Threatens To Boycott Paris Meeting
BK2906131089 Hong Kong AFP in English 1253 GMT 29 Jun 89

[Text] Beijing, June 29 (AFP)—Cambodian resistance leader Prince Norodom Sihanouk threatened Thursday to boycott an international peace conference on Cambodia scheduled to be held in Paris next month.

In a telegram to Thai Premier Chatchai Chunhawan and Indonesian Foreign Minister Ali Alatas, the prince accused certain parties to the upcoming talks of committing "injustices" against his group and "favoring" his adversaries.

Prince Sihanouk also set four conditions for taking part in the talks in the French capital involving parties concerned with the Cambodian conflict.

He said that if they were not satisfied neither himself, his army nor his resistance group would be represented at the talks and would "not sign or accept to implement" any agreements reached at the conference.

"In the twilight of my life, I am not going to accept a compromise dishonorable for Cambodia and its future," the 66-year-old prince said.

"If, in addition to the Soviet Union and the Socialist Republic of Vietnam, certain participants at the upcoming conference in Paris on Cambodia continue by their policies, diplomacy and statements to favor the pro-Vietnamese regime and to commit injustices against my party and my army I will be obliged to not send a delegation" to the Paris talks, he added.

The telegram to Mr Chatchai and Mr Alatas was sent from Pyongyang, where the former Cambodian monarch has a residence.

Observers said that the "favoritism" denounced by the prince would appear to refer to recent overtures by Thailand to the Hanoi-backed Phnom Penh regime of Prime Minister Hun Sen.

Mr Hun Sen visited Thailand this year and held talks with Mr Chatchai, and Thai Foreign Minister Sitthi Sawetasila said this week that his country opposed lethal aid to the two non-communist Cambodian resistance factions.

The United States is considering arming the non-communist factions led by Prince Sihanouk and former Premier Son Sann.

Prince Sihanouk, who is scheduled to meet Mr Hun Sen in Paris on July 24, heads the U.N.-recognized resistance coalition, which also includes the Chinese-backed Marxist Khmer Rouge.

Vietnam toppled a Khmer Rouge regime blamed for the deaths of hundreds of thousands of people in nearly four years in power in January 1979. The Khmer Rouge form the military muscle of the tripartite resistance coalition.

The conditions set by the prince were: acknowledgement of Vietnam's role as an "aggressor," exclusion of Soviet bloc nations from a U.N. monitoring body to be set up after Vietnam withdraws its troops in September, deployment of U.N. peace-keeping troops in Cambodia and the dismantling of the Phnom Penh regime in exchange for his government.

The Paris conference, scheduled to open August 4, is aimed at bringing about a resolution of the decade-long conflict. Prince Sihanouk is considered a key player in this process.

Mr Hun Sen and Vietnam have opposed any direct role for the United Nations in a resolution of the conflict, pointing notably to the fact that the Khmer Rouge are included in the U.N.-seated resistance coalition government.

A western diplomat here said Prince Sihanouk's "hardening of his position is understandable as the conference approaches." But he said boycotting the talks would be "equivalent to political suicide in regard to the west."

The diplomat also said Vietnamese wariness, the political crisis in the Chinese leadership and the reticence of Prince Sihanouk would appear to lessen the chances of success at the Paris conference.

China, the main military supporter of the Khmer Rouge, agreed in a joint communique published at the end of Soviet leader Mikhail Gorbachev's visit to Beijing last month to participate in such an international conference. [as received]

VONADK Condemns Foreign Oil Accords
BK2906042489 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian
2315 GMT 28 Jun 89

["News Commentary": "The Hanoi Authorities and Their Lackey Puppets Sign Agreements with Foreign Oil Companies To Explore Oil in Cambodia"]

[Text] In recent months, the Hanoi authorities called on foreign companies to explore oil in Cambodia's sea and ordered their Phnom Penh lackey puppets to sign agreements aimed at legalizing their actions. This is a maneuver to plunder Cambodia's natural resources.

The Hanoi authorities' recent order is another new one on top of those previously given to their puppets to relinquish Cambodia's islands and submarine plateaus to Vietnam; to allow more than 1.2 million Vietnamese citizens to resettle in Cambodia; and to dispose of Ream naval base [in Kompong Som City] and Kompong Som seaport so that they could be turned into Vietnam's naval bases for its warships and submarines.

The Cambodian people at home and abroad, the National Army of Democratic Kampuchea, and all the Cambodian resistance forces absolutely oppose the Hanoi authorities in connivance with their lackey puppets plundering Cambodia's natural resources. We have repeatedly stated that agreements whatsoever which have been made, decided, and concluded by Vietnam's puppets will be considered null and void because the Vietnamese-installed lackey puppet administration in Phnom Penh is nothing but merely the Hanoi authorities' rubber-stamp. This is against the legitimate Cambodian State's law and all the relevant international laws.

Indonesia

Alatas on Normalization of Ties with China
BK2806101589 Jakarta ANTARA in English
0937 GMT 28 Jun 89

[Text] Jakarta, June 28 (OANA/ANTARA)—Foreign Minister Ali Alatas believes there is no need for correlation between the momentum and consideration of Indonesia-China normalization and the momentum and reasons of the recent turmoil in China.

He expressed the belief cautiously after he met with President Suharto at Merdeka Palace on Wednesday in response to reporters' questions.

Asked whether the normalization process will continue despite new developments in China at present, the minister replied: "Let's wait and see. We will continue following events."

Pressed to comment on a recent statement by Major General Subijakto, governor of the National Defence Institute (Lemhanas), that the normalization process needs to be re-studied following recent events in China, Minister Alatas said: "Let's wait and see. We are waiting."

He explained that the Indonesia-China normalization process has its own momentum and considerations.

The momentum is set by the fact that the process has to pass through discussions at ambassadorial level at the United Nations. The considerations include the conditions put forward by Indonesia (which Indonesia terms as hopes), Minister Alatas went on.

Meanwhile, he said, the recent events in China also have their own momentum and reasons. "As far as I am concerned, there is no need for correlation between the two," he said.

Asked why Indonesia does not condemn the massacre of students in China, Alatas reiterated that condemning the internal affairs of another country is not the style of Indonesian diplomacy.

"Of course, like other countries, we are following closely events taking place in China. And we are also concerned and hoping that the problem there could be resolved without any more casualties," he added.

Foreign Minister Alatas reported to President Suharto on his recent visit to New Zealand.

There is no problem in relations between Indonesia and New Zealand, according to the minister.

His visit to the country was to explore the possibilities of increasing bilateral ties, especially in the economic sector, and to discuss the forthcoming ASEAN-New Zealand dialogue, in which Indonesia has been entrusted to become a coordinator.

Alatas also reported to the head of state on some views of the French government concerning the organizing of the planned International Conference on Kampuchea.

France, he said, has made known its views to countries expected to participate in the conference.

Responding to the French foreign minister's letter, which invites Indonesia to be co-chairman of the conference together with France, Alatas said that Indonesia will accept the offer as long as other countries agree with France's offer.

The foreign ministers of ASEAN will meet in Brunei Darussalam next July 3-6 to discuss common preparations of ASEAN in connection with the international conference on Kampuchea.

The ASEAN foreign ministerial conference will be followed by a meeting between the ASEAN foreign ministers and the regional organization's dialogue partners comprising the United States, New Zealand, Australia, Japan, Canada and the European Community.

Alatas Agrees To Cochair Talks on Cambodia

BK2806100489 Hong Kong AFP in English 0945 GMT 28 Jun 89

[Text] Jakarta, June 28 (AFP)—Indonesia was ready to co-chair with France a Paris-based international conference in August aimed at settling the decade-old Cambodian conflict, Foreign Minister Ali Alatas said here Wednesday.

"Indonesia will accept (the position) but it must first be agreed by other countries expected to take part in the conference," Mr. Alatas said after meeting President Suharto.

He said a letter from Foreign Minister Roland Dumas of France, distributed to prospective participants, proposed that Jakarta co-chair the conference.

The conference was expected to bring together the four warring Cambodian factions along with Vietnam, Laos, the six members of the Association of Southeast Asian Nations (ASEAN), as well as the five permanent members of the U.N. Security Council—Britain, China, France, the Soviet Union and the United States.

The Cambodian representatives would come from the U.N.-recognized guerrilla coalition, an uneasy three-way group composed of non-communist followers of Prince Norodom Sihanouk and former Prime Minister Son Sann, and the militarily powerful Khmer Rouge, which is Maoist.

The Phnom Penh government, backed by Hanoi, would be represented by Hun Sen, its prime minister.

Thai Foreign Ministry officials in Bangkok said earlier this week that Indonesia was ASEAN's "logical" choice for the co-chairmanship, pointing to Jakarta's role as the group's interlocutor with Vietnam on the Cambodian conflict.

Indonesia hosted the first-ever meeting between the warring Cambodian factions in July last year and held a second in February.

ASEAN—which includes Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand—supports the resistance coalition led by Prince Sihanouk.

China supports the Khmer Rouge.

Mr. Alatas said ASEAN foreign ministers meeting in Brunei next week would forge a common position on the Cambodian issue ahead of the Paris conference.

Official Views SRV Investment Opportunities

BK2706120989 Jakarta ANTARA in English 0846 GMT 27 Jun 89

[Text] Jakarta, June 27, (OANA-ANTARA)—An official from the Indonesian Chamber of Commerce and Industry (Kadin) said here Tuesday that there are wide opportunities for the Indonesian businessmen to invest in Vietnam.

The Government of Vietnam is resolved to enhance its trade relations with noncommunist nations and to open its country for foreign investments.

"We call on the Indonesian businessmen to study the possibility. Kadin will provide information on the investment opportunities in that country," Hakim Talib, chairman of Kadin's Bilateral Committee, said Tuesday.

The commitment of the Vietnamese Government to develop its country and the readiness of France to assist Vietnam provide wide opportunities to invest in Vietnam.

According to Talib, besides primary goods such as food and clothing, Vietnam also needs economic infrastructural facilities and construction materials.

He said that Indonesian businessmen can supply equipment for developing the country's agriculture and plantation.

Besides that, Indonesia can also send experts.

"The country also offers investment opportunities for us in the field of transportation and natural resources such as mine and energy resources," he said.

He disclosed that many Indonesians have visited the country and expressed their interest in investing there.

Vietnam offers a direct investment for foreigners with a 100 [percent]-share holding ownership, according to the chamber official.

"But it should be remembered that the country's investment system has not been systematic. The number of international banks operating there is also still small. It will, however, develop in line with the progress of development in the Indochinese country," he commented.

On the political stability, Talib said economy and politics are closely related. With the intention of the Vietnamese Government to develop its economy, the country is expected to carry out reformation and openness in line with its economic development.

He reminded, however, that the country is applying a counter-purchase system, not a "cash and carry" system.

The system is also applied for investment in infrastructure. In toll road construction for example, the payment will be covered by the fund collected from the operation of the toll roads.

He also cited as an example investment in the field of tourism and plantation. The Indonesian businessmen should first obtain land, invest, and then sell their plantation products.

"We have to build hotels in the first place, then we market them," he said.

Suharto Views Bolivia Ties, Meets New Envoy

BK2806102889 Jakarta ANTARA in English
0941 GMT 28 Jun 89

[Text] Jakarta, June 28 (OANA/ANTARA)—Indonesia and the Republic of Bolivia must continuously keep up the principles of Non-Aligned Movement and help ease world conflicts because development will not occur if the world is full of conflicts and tensions.

President Suharto expressed this hope here on Wednesday when receiving the credentials of the Bolivian ambassador to Indonesia, Arnold Hofman-Bang Soletto.

"The two countries must continue to struggle hand in hand for the realization of world peace which is based on freedom and justice. It is difficult for the two nations and

also other nations which are just implementing their development program to carry out development in a world which is full of conflicts and tensions," he said.

Regarding the two countries' foreign policy President Suharto said that Indonesia and Bolivia have similar principles, namely: anti-colonialism.

He said the two countries need to increase their bilateral cooperation in various international forums especially in the economic field.

President Suharto emphasized the importance of protecting the price of raw materials such as tin, which is one of the commodities that the two countries produce.

Indonesia and Bolivia also have to increase South-South cooperation among the developing countries as a breakthrough to the deadlock of North-South dialogue.

Earlier, the Bolivian ambassador said that the two countries really need to protect the price of raw materials such as tin, crude oil and natural gas in the international market.

The Bolivian Government appreciates Indonesia's contribution of 100,000 tons of rice to several African countries, which is a reflection of Indonesia's solidarity with the Third World countries, he said.

Laos

PLO's 'Arafat Arrives in Vientiane

BK2806143789 Vientiane Domestic Service in Lao
1400 GMT 28 Jun 89

[Report on arrival of the delegation of the State of Palestine led by Yasir 'Arafat, president of the State of Palestine, in Vientiane on 28 June—recorded]

[Text] At the invitation of Comrade Phoumi Vongvichit, Political Bureau member of the party Central Committee, acting president of the Lao People's Democratic Republic [LPDR], and chairman of the Lao Front for National Construction [LFNC], this evening Comrade Yasir 'Arafat, president of the State of Palestine, chairman of the PLO Executive Committee, and commander in chief of the Palestine Liberation Army, arrived here with the delegation of the State of Palestine to pay an official friendship visit to the LPDR. Following is a report from the airport by our station reporter:

[Begin recording] [Unidentified reporter] The special plane arrived at Wattai Airport at 17:00 today. After the plane pulled up, Comrade Yasir 'Arafat and his party deplaned and were warmly and intimately welcomed by the leaders of the party and state of the LPDR, who were waiting for them on the tarmac. The Lao party and state leaders included Comrade Phoumi Vongvichit, Political Bureau member of the party Central Committee, acting president of the LPDR, and chairman of the LFNC;

Comrade Sali Vongkhamsoo, Political Bureau member of the party Central Committee, vice chairman of the Council of Ministers, and minister of economy, planning, and finance; party members and alternate members; ministers and deputy ministers; and members of the diplomatic corps in Laos.

Comrade Yasir 'Arafat and Comrade Phoumi Vongvichit shook hands and warmly hugged each other. Then the 2 December pioneers presented bouquets of flowers to the visitors while the Lao People's Army [LPA] band played the national anthems of the State of Palestine and the LPDR.

[Commander of the honor guard] I, Captain Khamphuei Kolaphon, commander of the LPA honor guard, would like to report to Comrade Yasir 'Arafat, president of the State of Palestine, who is paying an official visit to the LPDR. The LPA honor guard extends a wholehearted welcome to you. I invite you, comrade, to inspect the honor guard. [end recording]

Delegations Hold Talks

BK2906094089 Vientiane KPL in English 0905 GMT
29 Jun 89

[Text] Vientiane, June 29 (OANA-KPL)—Talks were held here this morning between the Lao and Palestinian delegations, respectively led by Acting President of Laos Phoumi Vongvichit and Yasir 'Arafat, president of the State of Palestine, president of the PLO Executive Committee, commander-in-chief of the Palestinian Liberation Armed Forces.

Present at the talks, on the Lao side, were: Sali Vongkhamsoo, vice-chairman of the Council of Ministers, minister of economy, planning and finance, together with other ministers.

On the Palestinian side were: Sulayman al-Najah, member of the Executive Committee of the PLO, secretary general of the Palestine Communist Party, together with other members of the delegation.

During the cordial and friendly talks, Phoumi Vongvichit and Yasir 'Arafat briefed each other about the situation in their respective countries. They appreciatively assessed the positive development of the time-honoured relations of friendship between Laos and Palestine. They were of unanimous view on further development of relations between the states and peoples of the two countries.

International questions of mutual interest were also raised at the talks during which both sides expressed their support to the holding of an international conference on the Middle East to seek for peace with the participation of the Palestinian representatives.

The delegations of the two countries agreed that the international situation is changing in favour of the peace movement and of the solving of disputes by peaceful means.

Phoumi Vongvichit Fetes 'Arafat

BK2906045589 Vientiane Domestic Service in Lao
0000 GMT 29 Jun 89

[Text] As reported earlier, yesterday afternoon Comrade Yasir 'Arafat—president of the State of Palestine, chairman of the PLO Executive Committee, and commander in chief of the Palestinian Liberation Army—and his delegation arrived in Vientiane capital for an official friendship visit to the LPDR. They were warmly welcomed upon their arrival by Comrade Phoumi Vongvichit, member of the Political Bureau of the LPRP Central Committee, acting president of the Republic, and chairman of the LFNC Central Committee, along with various Lao party and state leaders and a large crowd of Vientiane residents. After their arrival, Comrade Yasir 'Arafat and the high-level delegation of the State of Palestine laid a wreath at the monument of revolutionary combatants in Vientiane.

Later, in the evening, Comrade Phoumi Vongvichit organized a banquet in honor of Comrade Yasir 'Arafat and his delegation. Attending the banquet on the Lao side were Comrade Phoun Sipaseut, member of the Political Bureau of the LPRP Central Committee, vice chairman of the Council of Ministers, and minister of foreign affairs; Comrade Sali Vongkhamsoo, member of the Political Bureau of the LPRP Central Committee, vice chairman of the Council of Ministers, and minister of economy, planning, and finance; along with comrade members and alternate members of the party Central Committee, ministers and deputy ministers, and a number of guests.

On this occasion, Comrade Phoumi Vongvichit and Comrade Yasir 'Arafat each delivered speeches.

[Begin Phoumi Vongvichit recording] Respected and beloved Comrade Yasir 'Arafat, president of the State of Palestine; respected comrade members of the Palestinian delegation; comrade distinguished guests:

I am greatly honored and very pleased to welcome the official friendship visit to the LPDR by Comrade Yasir 'Arafat and delegation. This visit by you, comrade, and your delegation is considered an event of great significance in the history of the friendly relations between the Lao and the Palestinian peoples. Through this visit, you comrades have brought to our Lao people the sentiments of friendship from the Palestinian people.

Comrades, our Lao people have attentively followed the situation of the Palestinian people's struggle under the leadership of the PLO, the sole and legitimate representative of the Palestinian people. Our Lao people have fully supported the decision of the Palestine National

Council on establishment of the independent State of Palestine, the decision which has marked the new turning point in the process toward the peaceful settlement of the Middle east problem and which has led to the reduction of tension in the region.

Beloved comrades, our Lao Government and people are now in the period of reconstructing the country, which was heavily destroyed during the protracted war. With the hope of leading the country to achieve prosperity, our Lao Government has carried out reform through the implementation of the new economic management mechanism and the policy of broadening external economic relations with a view to promoting and expanding cooperation with various countries—regardless of the differences in political and social systems—on the basis of respect of each other's independence and sovereignty, equality, and mutual benefits.

In the political field, the organizing of the nationwide elections of people's representatives at the local and central levels and the majestic convening of the inaugural session of the Supreme People's Assembly in order to establish the constitution and other basic laws have proved the extensive and correct implementation of democracy by the Lao Government and people. They have thus paved the way for our government to consistently pursue a foreign policy of peace, independence, friendship, and nonalignment on the basis of respect of each other's independence, sovereignty, and territorial integrity; noninterference in each other's internal affairs; nonuse of forces to oppose or constitute threats against each other; equality and mutual benefits; and settlement of international problems or disputes through peaceful means.

Comrade, we highly appreciate the visit to our country by you and your delegation. We are convinced that the visit will be crowned with glorious success, thus contributing to daily consolidating and strengthening the friendship relations to pave the way for the further expansion of relations and cooperation in all fields between our two countries as well as with other Arab countries—for the interests of our two peoples and for peace and stability in Southeast Asia, the Middle East, and the rest of the world.

In this spirit and amid an atmosphere of close friendship this evening, I would like to invite comrades and all distinguished guests here to drink a toast to the victory of the heroic Palestinian people in the cause of the struggle to rehabilitate the country; to the good health of Comrade Yasir 'Arafat and delegation; to the good health of all comrades and distinguished guests; and to the everlasting, profound friendship between the Lao and the Palestinian peoples. [end recording]

Comrade Yasir 'Arafat then delivered a speech. He said in part as follows:

[Begin Yasir 'Arafat recording in Arabic fading into Lao translation] The Palestinian people, under the Israeli occupation, have faced the barbarous policy of premeditated genocide and terrorism. This policy has been pursued by the Israeli troops and colonialists, who have committed racial crimes against the Palestinian people in the occupied Palestinian territory. They have killed innocent children, buried people alive, killed pregnant women, arrested people en masse, destroyed houses, and closed all schools. In face of this terrorist suppression, the Palestinian people have heroically struggled against the Israeli policy to defend their territory and to safeguard their inalienable fundamental rights.

The Palestinian people's uprising has now entered its 19th month. The Palestinian people have reiterated their determination to continue with the resistance under the leadership of the PLO—their sole legitimate representative—until final victory; that is, to restore the rights to return to their land, rights to self-determination, and rights to the establishment of their independent state with Jerusalem as its capital.

Beloved comrades, the historical, significant resolutions as approved by the Palestine National Council in its 19th session in Algeria in November 1988 have reflected the good intentions of the Palestinian people to achieve durable peace in the region in accordance with the peace initiative of Palestine, as I mentioned in the 13th UN General Assembly session in Geneva in 1988. The said initiative is based on the international conference held under the UN sponsorship with the participation of the five permanent member countries of the Security Council and the participation of all parties involved in the disputes, including the PLO, which has maintained an equality with other countries.

I would like to take this occasion to praise the relations and cooperation between the State of Palestine and the LPDR at all levels, in particular in the Nonaligned Movement and in the United Nations. I hail the creative contribution that your country has made to the achievement of peace and stability in this region. We have supported and will continue to support your stand to settle problems on the basis of peaceful talks. [end recording]

After the banquet, Comrade Phoumi Vongvichit, together with Comrade Yasir 'Arafat and other members of the high-level delegation of the State of Palestine, viewed artistic and literary performances in a joyous atmosphere.

LPRP Sends Greetings to Cambodian Counterpart
BK2806131789 Vientiane Domestic Service in Lao
0000 GMT 28 Jun 89

[Text] Yesterday, the Lao People's Revolutionary Party [LPRP] Central Committee sent a greetings message to the Kampuchean People's Revolutionary Party [KPRP] Central Committee in Phnom Penh. The message reads as follows:

On the occasion of KPRP's 38th founding anniversary, the LPRP Central Committee, party members, and multiethnic Lao laboring people would like to convey warm greetings of comradeship and fraternity and best wishes to the KPRP Central Committee, party members, and all fraternal Cambodian laboring people.

Throughout the past 38 years, the KPRP—worthy successor in the cause of the Indochinese Communist Party—has intelligently led the Cambodian people in systematically scoring victories to carry out the revolutionary struggle. Of note is the fact that in the past decade, the KPRP has led the fraternal Cambodian people to restore the economy and living conditions, and scored marvelous achievements in many fields. As a result, the State of Cambodia has been strengthened everyday, and has taken ever more outstanding roles in the international arena.

The Lao party, government, and people are proud and elated over the victories and achievements scored by the Cambodian people, vigorously support the Cambodian government's national reconciliation policy and stance, and appraise the good intentions of the Cambodian and SRV Governments in their decision to totally withdraw the Vietnamese Army volunteers from Cambodia by the end of September of this year. All these reflect the Cambodian party and government's lofty spirit of responsibility over the destiny of the Cambodian people. They have also significantly contributed to the cause of peace, stability, and cooperation in Southeast Asia and the world.

The Lao party and government are pleased to note that the special solidarity and comprehensive cooperation between the two parties, states, and peoples of Laos and Cambodia have flourished in depth and in an ever fruitful manner, thus benefiting the peoples of the two countries as well as the three countries on the Indochinese peninsula.

On this occasion, we once again wish the party, government, and fraternal people of Cambodia new, still greater successes in the cause of building a strong State of Cambodia, and in translating into reality the fifth party congress resolutions.

Military Delegation Concludes Visit to Cambodia
BK2806130389 Vientiane Domestic Service in Lao
0430 GMT 27 Jun 89

[Text] A delegation of the Lao People's Army [LPA] General Political Department led by Comrade Major General Osakan Thammatheva, member of the party Central Committee, deputy minister of national defense, and chief of the LPA General Political Department, concluded a visit to the State of Cambodia and returned the Lao People's Democratic Republic on 22 June.

Welcoming the delegation at Wattai Airport were Comrade Brigadier General Bounthon Chitvilaphon, deputy chief of the LPA General Staff Department, and a number of high-ranking military officers. Comrade Long Kem, ambassador extraordinary and plenipotentiary of the State of Cambodia, and cadres concerned were also on hand at the airport to welcome the delegation.

During his stay in Cambodia, Comrade Maj Gen Osakan Thammatheva called on Comrade Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party and chairman of the Council of State of the State of Cambodia. He also attended a ceremony marking the 38th founding anniversary of the Kampuchean People's Revolutionary Armed Forces on 19 March as well as the Cambodian army-people solidarity day.

Meeting Held in Support of DPRK Struggle
BK2806093489 Vientiane KPL in English 0905 GMT
28 Jun 89

[Text] Vientiane, June 28 (KPL)—A meeting was held here on June 26 to express the Lao people's support and solidarity with the Korean people in the struggle against imperialism and for peaceful reunification of the country.

Among others present at the meeting were Oudom Khatthi-gna, alternate Politburo member of the LPRP CC [Lao People's Revolutionary Party Central Committee], in charge of mass organizations; and Maisouk Saisompheng, member of the LPRP CC, head of the party's and Council of Ministers' offices, and president of the Lao Committee in Support of Peaceful Reunification of Korea.

Maisouk Saisompheng and [DPRK Ambassador to Laos] Kim Sang-chun took turns to address the meeting, pointing out multifaceted achievements obtained by the people in the DPRK.

On the Lao stance in the Korean issue, Maisouk Saisompheng said that the Lao party, government and people would continue to support the party, government and people of Korea in the struggle for peaceful reunification of the country.

Maisouk Saisompheng, on this occasion, declared the opening of the month of solidarity and friendship with the Korean people to be observed from June 25 to July 27.

Sisavat Keobounphan Addresses Party Meet Close
BK2706131789 Vientiane Domestic Service in Lao
0000 GMT 25 Jun 89

[Text] The first conference on organizational work of Hatsaifong District of Vientiane Municipality closed on 24 June. During the 3-day session, the participants appraised and reviewed the situation of organizational work and apparatuses for the construction of party and cadres, condition and line of thinking of cadres, party members, and the multiethnic people in the district since

the first congress of the district party committee. They also evaluated the achievements, strong points, shortcomings, and causes of the problems relating to the organizational work and apparatuses for the construction of party and cadres and line of political thinking in the past years.

The meeting also outlined the direction and duties of modifying the organizational work and apparatuses for construction of party and cadres and line of political thinking for years to come.

Addressing the closure of the conference, Sisavat Keobounphan, Political Bureau member of the party Central Committee, secretary of the party committee, and chairman of the Administrative Committee of Vientiane Municipality, hailed the achievements and victories scored by the district party committee and party members. At the same time, he recommended the reorganization of the apparatuses to conform with new direction of development of the municipal party committee and the overall direction of development of the party Central Committee, aimed at taking the organizational work into the new concept, increasing the efficiency of the party leadership at the grass roots, enhancing independence of thought, promoting revolutionary style of criticism on the basis of our party's line, and striving to defeat the old concept existing in the pattern of work and effect new changes in every sphere of work so that localities can march forward with firm steps.

Attends Forestry Meeting

*BK2906105089 Vientiane KPL in English 0911 GMT
29 Jun 89*

[Text] Vientiane, June 29 (OANA-KPL)—A two-day conference on how to implement the decision taken at the recent national conference on forestry was held here yesterday morning under the chairmanship of General Sisavat Keobounphan, Politburo member of the Lao PRP [People's Revolutionary Party], mayor of Vientiane.

The conference was attended by over 200 representatives of those engaged in timber business.

The chairman pointed out the consequences and danger of large-scale forest destruction which has reached an alarming point. In this connection, he pointed out the need to have the resolutions of the national conference on forestry implemented. This involves forest preservation and afforestation and the putting of a complete end to forest destruction.

The participants studied the resolutions of the national conference on forestry and adopted a plan for forest preservation and afforestation of Vientiane Prefecture. The plan imposed by the party committee and the administration of Vientiane stipulates that by 1995 peasants who practise slash-and-burn cultivation would have to adopt fixed farming instead.

Philippines

Aquino on Land Scam, Ambassadorial Postings

*HK2906115989 Manila Radio Veritas in Tagalog
0900 GMT 29 Jun 89*

[Text] President Aquino promised immediate action on the Garchitorena estate scandal as soon as she receives the Feria Committee's recommendation. She issued this statement through Assistant Secretary for Public Relations Deedee Sytangco. Mrs Aquino also answered a question regarding her prerogative to reassign or dismiss ambassadors. This was in connection with former Ambassador to Moscow Alejandro Melchor's appearance before the Supreme Court. He petitioned that his dismissal by Malacanang be declared illegal and unconstitutional.

Here is Secretary Sytangco relaying the president's replies on these issues, including reaction to a newspaper article by former Press Secretary Teodoro Benigno declaring a division among the president's advisers in Malacanang.

[Begin Sytangco recording in English] No 1: The Feria Committee will submit its report to me tomorrow and I shall act forthwith after receiving and considering their report. I shall be decisive without being precipitate.

No 2: PD [Presidential Decree] 807 is a civil service act. Ambassadors are specifically covered by the Foreign Service Act. Postings and recalls from post of ambassadors are prerogatives of the president as the exigencies of the foreign service and the interest of the nation may, from time to time, dictate. This was the basis for the recall of Ambassador Melchor plus the charges filed against him, which have been dropped.

No 3: Congressman Ramon Bagatsing Jr was present when Administrative Order 128 was discussed in the past coordinating council and he fully agreed with the idea. What has to be remembered is that the committee on official development assistance is a committee of the NEDA [National Economic Development Authority] board. So there is no transfer of the NEDA's powers to an entity other than or outside of NEDA. [end recording]

The last reply involved a question by the house opposition regarding the constitutionality of an order by Malacanang to create a committee on official development aid which is under the NEDA.

Spokesman Says Marcos Already Recognizes Aquino

*HK2806113789 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 28 Jun 89*

[Text] Former President Marcos has already recognized the Aquino administration as the legitimate government. The details from Deo Macalma of Mobile Unit No 7:

[Begin recording] [Macalma] The Marcos family has already replied to the Supreme Court's order demanding recognition of the Aquino administration before they are allowed to return to the country. Marcos spokesman Gemmo Trinidad said the deposed president has long recognized the Aquino government. As proof of this, Mr Marcos and Imelda have addressed Mrs Aquino as president of the nation in their letters to Malacanang. Trinidad added that Marcos had offered assistance to the government if they are allowed to return.

[Trinidad] Mr Marcos wrote to President Aquino and addressed her as president. This letter was published in almost all the newspapers and can be used as an evidence of the Supreme Court.

[Macalma] Trinidad also said that there is no truth to the accusation that Mrs Marcos used U.S. actor George Hamilton to buy a mansion in Beverly Hills, California.

Senate President Jovito Salonga's said Marcos can return even without a passport. This was what former Senator Ninoy Aquino and other opposition leaders did during the Marcos administration.

[Trinidad] I think Salonga is just being boastful. Ninoy had a passport; he himself had one when he returned. How can they board an aircraft when planes are banned from transporting them? Second, how can they board a plane if they do not have passports. They will be asked for travel documents the moment they check in. They cannot board. [end recording]

Imelda Marcos Not Seen as Opposition Leader
HK2906111189 Hong Kong AFP in English 1024 GMT 29 Jun 89

[Text] Manila, June 29 (AFP)—The Nacionalista Party (NP) does not relish a prominent role for former President Ferdinand Marcos' wife Imelda in its future, an official of the conservative opposition party said Thursday.

NP Secretary-General Blas Ople also told foreign correspondents that the country's sovereignty was at stake when Manila formally asks 19 creditor nations at a meeting in Tokyo next week to finance a multi-billion dollar Philippine Aid Plan (PAP).

"I do not expect Mrs. Marcos in the future to be one of the prime movers of the Nacionalista Party," said Mr. Ople, a former Marcos labor minister.

"When I met her in Honolulu sometime ago, she told me that she would not nurture any further political ambitions for herself. She only wanted to fight for a political environment that would permit her to engage in social work among the poor," he said.

Mr. Marcos and his family fled to Hawaii in February 1986 after a popular revolt ended his 20-year rule, during which his wife became human settlements minister and governor of Metropolitan Manila.

He is now in hospital in Honolulu, where an administrator said Wednesday [28 Jun] he had suffered liver failure in a turn for the worse that has made his chances of recovery "extremely poor."

"I do not think that the climate in the Nacionalista Party is very favorable to the emergence of the former first lady, Mrs. Imelda Marcos, to a commanding role in the party," Mr. Ople added.

Mr. Ople said "the Philippines is being handed over to an international consortium," when it asks donor countries to contribute to the PAP.

The PAP, initiated by U.S. legislators, intends to revive the Philippine economy. U.S. Secretary of State James Baker will attend the so-called "pledging session" in Tokyo.

"Through the vehicle of the PAP, a World Bank government is being quietly installed in Manila behind the facade of Philippine sovereignty," he said.

The World Bank will chair the pledging session to be held July 3-5.

Ramos on Trials for Military Offenders
HK2906104789 Manila Radio Veritas in Tagalog 0900 GMT 29 Jun 89

[Text] The approval for civilian courts to try police and military personnel criminal crimes will be given on a case by case basis. This was stated by Defense Secretary Fidel Ramos in an interview with the defense press corps at Camp Aguinaldo. Ramos said trials by civilian courts on cases involving military and police personnel will be carried out following careful study and the authorities should reach a decision whether the offense is non-service related. He welcomed the president's approval of the waiver. Ramos stressed this will serve as a strong message to potential military and police violators of the law. They should think twice before carrying out illegal activities.

[Begin recording in English] The president is in favor of this waiver. But the specific proposal for the waiver of military jurisdiction over military or police personnel who commit offenses that are not service connected still have to be done on a case to case basis. But I have instituted this as a policy already at the defense department level, meaning that commanders in the field who are the superiors of erring military or police personnel, should not try to prevent civilian jurisdiction from ensuing, nor retain military jurisdiction over their erring personnel where obviously the crime is not service connected. I say the case to case study must still be made

because in the investigation it will have to be determined whether the crime is service connected or not. But that's the policy the president has more or less indicated in her acquiescence to this. In fact, at this time, as in the past, she has always approved our recommendations, as well as recommendations coming from the department of justice for the waiver of jurisdiction. This will therefore not only speed up the delivery of justice, insofar as military and police offenders are concerned, but I think it will also serve as a very strong message to potential military offenders, that they will be (?remanded) to seek a court's jurisdiction. [end recording]

Defense Secretary Reveals Military Plans
HK2906042389 Manila MANILA BULLETIN
in English 29 Jun 89 pp 1, 20

[By Roy C. Sinfuego]

[Text] The Armed Forces of the Philippines (AFP) is out to dismantle 20 more Communist Party of the Philippines-New People's Army (CPP-NPA) guerrilla fronts, increase its fighting troops, and improve the equipment of combat soldiers under the proposed 1990 defense-AFP budget, Defense Secretary Fidel V. Ramos said yesterday.

During a press conference at Camp Aguinaldo, Ramos said that if the proposed P [peso] 23.8-billion budget is approved by Congress, the "AFP will be able to maintain and intensify the momentum of the counter-insurgency campaign in 1990."

"We shall continue to mount relentless but well-coordinated offensives against the enemy," Ramos said.

He said troops directly involved in the counter-insurgency campaign will be increased and given more modern combat equipment and better facilities for land, sea, and air mobility, and firepower and communications.

Ramos said that the Philippine Army (PA) will enlist 4,000 more-soldiers to beef up its infantry and Scout Ranger battalions, while the Constabulary will train 300 more troopers for its Special Action Force (SAF).

The Philippine Air Force (PAF) under Maj Gen. Jose de Leon will recruit 125 more men to maintain new facilities and aircraft, while the Navy will get 125 more men, the defense secretary said.

The Department of National Defense (DND)-AFP 1990 proposed budget is P1.9 billion more than its 1989 budget for a percentage growth of 9.3 percent.

Personal services under the proposed budget amount to P15.6 billion, while the operating expenses, P419 million, for a capital outlay P1.5 billion, Ramos said.

The P15.6-billion budget for personal services represents the biggest chunk of the entire DND-AFP budget, he added.

Ramos also urged Congress to pass the bills providing for the following:

1. Veterans' Code, which seeks to consolidate, revise, and codify various veterans laws.
2. Code of Military Justice, a proposed act providing for the Articles of Military Justice for members of the AFP intended to replace the Articles of War considered already "irrelevant and obsolete."
3. Restoration of the death penalty for certain major crimes.
4. The new Philippine National Police (PNP) bill and expansion of the National Police Commission.
5. The AFP Reservist Act, intended for the administration, training, maintenance, and use of citizen soldiers of the AFP.
6. Creation of a new system of management for AFP commissioned officers in the active force of the AFP.

NPA Threats Will Not Affect Aquino's Trip
HK2906105989 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 29 Jun 89

[Text] The government is not concerned about the CPP-NPA [Communist Party of the Philippines-New People's Army] threat to liquidate several high-ranking officials. Press Secretary Adolf Azcuna, on the "Liberty in Action" program, said the government is in control of the situation and there is nothing to worry about. He added that these threats will not deter President Aquino from visiting France, West Germany, and Belgium next month.

[Begin Azcuna recording] Although there are reports saying the CPP-NPA will launch a terror campaign, such as Sparrow attacks on our law enforcement agents, the overall assessment of the situation is that everything is under control. [end recording]

President Aquino Condemns Davao Church Attack
HK2806015789 Manila Far East Broadcasting
Company
in English 2300 GMT 27 Jun 89

[Text] President Aquino and the United Church of Christ in the Philippines [UCCP] condemned the massacre of 39 people praying in a chapel in Digos, Davao del Sur by New People's Army [NPA] rebels. The president, who is leaving for Europe next month, assured the public that the authorities are in control of the overall situation despite what she said was the condemnable rebel atrocity in Davao and the recent terroristic attacks against lawmen.

On the other hand, the Human Rights Justice and Peace Group and the Task Force on National and International Affairs of the UCCP claimed that the fact that the killing

took place when the worship services were being held makes the act even more deplorable. The UCCP said that it has organized a fact-finding mission to clarify the circumstances surrounding the incident.

Meanwhile, more than 100 people in a village in Davao del Sur had fled their homes starting last Sunday massacre of 40 [figure as heard] churchgoers by communist rebels.

Digos Mayor Roger Llanes said the residents of Barangay Rano in Digos have evacuated for fear of their lives. The sudden evacuation has created shortage of food and medicine, prompting Llanes to appeal for help for the evacuees. The mayor said the massacre occurred at about 0900 am last Sunday by about 70 heavily armed New People's Army rebels led by Commander Bensa. Llanes confirmed that the massacre was precipitated by the refusal of the people of Rano to pay revolutionary taxes demanded by the NPA.

Military Placed on Alert

HK2806042989 *Quezon City Radyo Ng Bayan*
in Tagalog 0300 GMT 27 Jun 89

[Text] One hundred families have fled their homes in Digos, Davao del Sur since rebels killed 40 natives attending a Bible study in a church last Sunday. The evacuation was in connection with an operation that will be launched by the military against 100 communist rebels suspected of having carried out the attack on the church.

The latest report said that the all military units in Digos have been placed on red alert. It added that check points have been set up in the area, particularly in Barangay Rano, where the massacre occurred. The evacuation of the residents and the military operation is being carried out jointly by the Office of Civil Defense, the Philippine National Red Cross, and the Department of Social Welfare and Development.

Attackers Identified

HK2906105389 *Manila Manila Broadcasting Company*
DZRH in Tagalog 0800 GMT 29 Jun 89

[Passages within slantlines in English]

[Text] The military has identified 8 of the 70 NPA rebels who attacked the Protestant UCCP in Davao del Sur. The attack resulted in the killing of 39 people and the wounding of 9 others.

The eight rebels, facing multiple murder and attempted murder charges, are: Amado Payet, alias Comrade Benzar; and Rafael Lacuna, alias Commander Ryan, who are suspected of having led the attack; Mario Odil, Analisa Manapol, Dadong Ang, Wendy Lacuna, Dante Ubas, Crisanta Amag, and Danilo Villegas who allegedly used an M-16 machinegun in the attack.

Brigadier General Mariano Baccay, Regional Command 11 commander, said that the New People's Army force in Digos alone was estimated at 150 regular members and those who carried out the attack were only part of the 150-strong rebel force:

[Begin recording] [Baccay] There are about 100 to 150 members.

[Reporter] Are they fully armed?

[Baccay] /Yes. They are armed. Aside from the fully armed there are unarmed members who go along with them as support personnel./ But they have about 150 armed members.

[Reporter] Do you have a time frame within which to capture or rid this place of the rebels?

[Baccay] /After we operate we hold the area, and we undertake/ what we call SOT's [Special Operating Teams]. And the operation could sometimes last for 6 months then [words indistinct]. That's how we do it.

[Reporter] Sir, will this be a problem to the tribesmen or to the NPA? Because these men are outnumbered by the NPA.

[Baccay] We cannot say they are outnumbered because they have many men. Their regional commander, Commander Tiapae, came today and said that he will deploy more of his men here. The other Itukan men have also become CAA [expansion unknown] members. Revenge is very important to them because many of their brothers were killed. [end recording]

Meanwhile, a military report stated that charges have been filed against the assailants before Judge Marcelo Bumanlag of Digos Municipal Trial Court. The judge issued warrants of arrest with no bail recommended for the accused NPA members. At present the authorities are studying the possibility of including other charges against the rebels such as robbery, cattle rustling, and violation of Article 133 of the revised Penal Code—offenses against religious beliefs.

The rebels, led by Commanders Benzar and Ryan, attacked the UCCP church in sitio Rano, barangay Binatun, Digos, Davao del Sur killing the church's minister, Abadi Ayap, and beheading him and his brother Clemente. Most of the victims were women and children.

NPA Apologizes for Attack

HK2806053989 *Manila THE MANILA CHRONICLE*
in English 28 Jun 89 pp 1, 6

[By staff member Carolyn Arguillas]

[Text] Davao City—The New People's Army—has apologized for the Sunday massacre of 39 churchgoers and the wounding of eight others in Sitio Rano, Barangay Binatol, Digos, Davao del Sur, but insisted the rebels were attacked first by the anti-communist Itoman religious cultists.

Amid public condemnation of the massacre, Ariel Badiang, spokesman for the National Democratic Front, made the disclosure Monday [26 June] afternoon to local newsmen covering the release in the city's hinterland of six anti-communist vigilantes the NPA had held hostage since May 10.

The release, which Badiang said was "in the spirit of goodwill and respect for the value of human life," came at about the same time the 39 victims were buried in shallow mass graves, some 20 meters from the chapel of the United Church of Christ in the Philippines (UCCP) in Sitio Rano.

Badiang said Benzar, the leader of the NPA band involved in the carnage, relayed the admission to him by radio handset. Benzar, one of the 10 most wanted NPA rebels in Southern Mindanao, claimed he and nine to 10 others were holding a meeting with the residents when they were attacked by 40 Itomans led by a certain Kumander Maya.

"The fanatics are trained and taught to kill the NPA. Benzar and his men were forced to fire back," reporters of the local 'DAILY MONITOR' quoted Badiang as saying.

But Recom [Regional Command] chief Brig. Gen. Mariano Baccay told the 'Chronicle' "let the facts and pictures speak for themselves."

Baccay said the massacre was the "worst ever" perpetrated by the NPA. Military reports said the rebels were angered because support for them had been withdrawn by the villagers.

Of the 39 massacre victims, 11 were children, aged one to 13. The eldest victim was 55.

Eight others were wounded, three of them girls aged three, six and seven, and two are now fighting for their lives at the intensive care unit of the Davao del Sur provincial hospital. UCCP minister Abadia Ayap and his brother, Clemente, were both beheaded. About 20 of the 39 victims were Itoman members, Arnold Endar, an Itoman survivor, told the 'Chronicle'.

AFP [Armed Forces of the Philippines] Chief of Staff Gen. Renato de Villa is arriving today to visit the site.

Baccay and his staff sent to the massacre site Monday afternoon and found the victims inside the house of the minister, some two meters at the back of the chapel.

Some of the victims bore hack wounds, Baccay said. Baccay added that the house is made of sawali [split bamboo] while the chapel looks like a shed.

Deputy Recom chief Col. Job Mayo, who went with Baccay to the site, told the 'Chronicle': "How can the NPAs claim they were attacked first? That's not true. They spent 970 rounds of M-14 bullets into that nipa hut. How could children aged two or seven have attacked them?"

Alsa Masa godfather Col. Franco Calida said the NPA rebels were "monsters."

"Barbaric na yan. Bata, matanda, babae. [That is barbaric. Children, women, and old folks were killed.] They (NPAs) are not humans, iba na ito. [This is unbelievable.] They are running berserk," Calida said.

Anti-communist radio commentators in the city suggested Davao del Sur provincial commander Lt. Col. Jesus Magno should rethink his position on "unarmed vigilantes." Magno is the founder of the Nakasaka, a vigilante group armed only with bolos and other indigenous weapons.

The Itomans are affiliated with the Nakasaka and are distinguished by their black bands and amulets.

Gory pictures of the massacre victims were printed by all local newspapers in the city yesterday. One picture even showed a relative of pastor Ayap holding Ayap's decapitated head by the hair, in preparation for the mass burial.

The other pictures showed children, including the youngest victim, one-year-old Jackson Ayap, and Crisanta Dominguez, a pregnant woman, lying dead inside the pastor's house.

Meanwhile, reports reaching Camp Crame said residents of Barangay Rano have begun fleeing their homes for fear of more communist attacks.

Lt. Col. Cris Maralit, Constabulary spokesman, said the villagers fled their homes after the massacre which left 39 people dead, including several children and women, to Barangay Bilaton, near the town proper of Digos, along the nation highway.

The report indicated that the evacuees, consisting of some 100 families, are being taken care of by the military units assigned to secure the area. The military has asked for assistance from the Department of Social Welfare.

Military officials led by Brig. Gen. Rene Cardones, AFP chief for Civil Military Operations, are scheduled to leave for Davao today to inspect the area and meet with the residents and the relatives of the victims.

Latest reports reaching Camp Crame showed that the toll had surpassed 39, when some of the wounded died in the hospital where they were being treated. Names of the victims were not available yet.

Davao Tribesmen Out for Revenge
HK2906042189 Manila MANILA BULLETIN
in English 29 Jun 89 pp 1, 22

[By Emily R. Pena]

[Text] Digos, Davao del Sur—about 3,000 Bagobo tribesmen are set to attack New People's Army (NPA) rebels to avenge the recent massacre of 59 other Bagobos in Rano, Binaton, this town.

The 39 Bagobo victims, including children, pregnant women, and a Protestant lay leader, were massacred while attending religious rites at a chapel in Digos at 8:30 a.m. last Sunday by suspected NPAs.

The massacre victims reportedly refused to help NPA rebels led by Commanders "Benzar" and "Rayan" at sitio Rano, barangay Binaton in this town.

"This is terrible. We have to seek justice for the killing of our families by communist rebels. We are only waiting for the right time to attack them," a relative of a victim said.

Carmela Ayap, 2, who was hurt in the neck and right arm, was taken to the Davao del Sur Provincial Hospital.

Ayap's parents were killed.

Alan Angop, 15, who was also seriously wounded, hiked for three hours from barangay Binaton to a hospital.

Meanwhile, top government officials, including Cultural Communities Undersecretary Jose B. Lopez, Environment and Natural Resources Undersecretary Antonio Tria, Davao del Sur Gov. Douglas Cagas, Digos Mayor Rogelio Llanos, and Maj Francisco Arguellanos, launched a drive to help the massacre victims.

Lopez said the Office of Southern Cultural Communities (OSCC) regional office in Davao City sent tribal elders to assess the situation in the area.

OSCC sources said that P5,000 was given to each family of the victims. However, they added that the financial assistance might increase, depending on the results of an evaluation conducted by an OSCC team.

Tria said that his department will coordinate with the OSCC in helping the victims' families.

Cagas, said that he will meet with leaders of the tribe to prevent further bloodshed.

"I won't allow these people to take the law in their own hands for its might only worsen the insurgency problem," Cagas said.

A total of 58 Bagobo families were taken to nearby barangays for their protection.

New Bicol CPP Committee Chairman Named
HK2006100589 Manila PHILIPPINE DAILY
INQUIRER in English 16 Jun 89 p 22

[By Danny O. Calleja]

[Text] Legazpi City—A major revamp in the Bicol Regional Party Committee (BRPC) of the Communist Party Committee party of the Philippines (CPP) has resulted in the appointment of a new leader to replace the ailing Sotero Llamas, alias Kumander Nognog.

In a press statement issued by the BRPC recently, Jose Luneta was named regional party committee chairman. Llamas was given a new assignment.

The change in leadership came as the CPP and its military arm, the New People's Army [NPA], in Bicol started a campaign "to rectify some errors and shortcomings committed by the local party leadership, to train and prepare the revolutionary manpower prior to a higher stage of struggle, and to cleanse the ranks of deep-penetration agents."

"There have been serious errors committed by the CPP-NPA high command in the region in handling delicate matters during the past period which created problems affecting the organization," the statement said.

It added there were other four ranking CPP-NPA leaders in Bicol who resigned from their posts. Two were transferred while several others went on leave.

"The party is shifting to a more comprehensive armed and political struggle now that a provisional revolutionary government is existing. That's why the movement must renew its strategies which will be implemented by the new leadership," it said.

Luneta is a CPP central committee member who was a close associate of national chairman Jose Ma. Sison.

Llamas handled the BRPC leadership for some 20 years. He was reported by the military to have been crippled by bullet wounds sustained in encounters with government forces in Albay.

Llamas represented the NPA in the peace talks with the government during the 1986 ceasefire and was the first one who declared the peace talks a failure and called for its cancellation.

Thailand

Cabinet Dismisses Electricity Board Members

BK2806024989 Bangkok THE NATION in English
28 Jun 89 pp 1, 2

[By "the Business Desk"]

[Text] With prior consent from Prime Minister [PM] Chatchai Chunhawan, PM's Office Minister Chaloeam Yubamrung yesterday dropped a bomb-shell at the Electricity Generating Authority of Thailand (EGAT) by dismissing the majority of its board members, including chairman Dr Chao Na Silawan.

Dr Thongchat Hongladarom, former governor of the Petroleum Authority of Thailand [PTT], was appointed new chairman in the unprecedented shake-up which was approved by the Cabinet in its weekly session yesterday.

The shake-up at the country's largest state enterprise with combined assets worth about Bt [baht] 100 billion takes effect as of today despite the fact that none of the ousted board members have fulfilled their terms.

EGAT General Manager Phaophat Chawanalikhikon, who survived the overhaul, is likely to tender his resignation very soon, a source close to him told THE NATION late last night.

No official reasons were mentioned in a terse press statement released by Government House yesterday, but informed sources said the majority of the EGAT board members were at odds with Chaloeam over the minister's insistence for the state enterprise to strike a deal with the Chinese government.

Beijing proposed the construction of a 300-megawatt lignite power plant in Lampang on a government-to-government basis. The ousted board members voiced objections to the proposal on the grounds that the Chinese technology is out-of-date.

The sources said before the drastic move, the premier recently received a report from the National Economic and Social Development Board (NESDB) accusing the outgoing board members of blocking the much-heralded policy to privatize EGAT. The privatization plan won approval from the National Energy Policy Committee chaired by the premier earlier this year.

EGAT's privatization scheme comprises 35 new projects requiring a combined investment of Bt 138 billion and is mentioned under the sixth National Economic and Social Development Plan.

"The opposition to the privatisation prompted the premier, the PM's Office minister and senior NESDB officials to agree upon the shake-up. They are concerned

that further delay in the privatisation could lead to an acute power shortage in the near future," said one source who asked not to be named.

NESDB believes that EGAT cannot mobilize enough capital for the investment projects without privatization and that the demand for electricity is rising by about 15 percent annually. But EGAT sources contended that NESDB froze a number of its investment projects in the past several years.

Chaloeam told THE NATION in a phone interview that the shake-up was imperative to "speed up the launching of new EGAT projects".

"All the new appointees have nothing to do with my Muanchon Party," he claimed. They are all highly respected in various professional circles, he added.

The sacked board members were Dr Chao, Chamrun Watcharaphai, Juridical Council Secretary General Amon Chanthara-sombun, Amnuai Pranit, well-known lawyer Sanong Tuchinda, Thai Oil chairman and former EGAT general manager Dr Kasem Chatikawanit, Thongrot Potchanat, another former EGAT general manager Kamthon Sinthawanon.

Dr Chao and Kamthon are privy councillors who needed the approval of His Majesty the King for their services at a state enterprise. The premier reportedly was granted an audience with His Majesty the King after the Cabinet meeting yesterday.

The Chatchai Cabinet extended Dr Chao's term earlier this year and he still has about one and a half years to go as board chairman. He just left the PTT chairmanship after serving in the post for two terms running. As a consequence of the overhaul, Dr Chao was completely removed from the orbit of energy affairs. Ironically, it was Chatchai who handpicked Dr Chao as PTT chairman when the premier served as industry minister in the Prem administration.

Apart from Phaophat who serves as EGAT secretary general ex-officio, only two other board members survived the onslaught—Budget Bureau Director Bodi Chunnanon and Sunthon Sathianthai, concurrently executive chairman of Laem Thong Bank.

The new appointees are Dr Thongchat, National Economic and Social Development Board Secretary General Dr Phisit Phakkasem, Thai Military Bank President Anut Atsawanon, Sa-nguan Tiyaphaibunsin, Wiranon Wongphaitun, Suthi Suthisombun and an unidentified representative from the Finance Ministry.

When serving as PTT governor, Dr Thongchat developed serious conflicts with EGAT under Kamthon and Phaophat on several issues, including the pricing of natural gas that PTT sold to EGAT. In addition, Dr Thongchat was once locked in a dispute with Kasem in

the latter's capacity as Bangchak Petroleum Co chairman. Kasem still chairs EGAT's subcommittee on development and investment research.

Many of them are known to have close connections with leading politicians in the coalition government. Dr Thongchat, for one, has been accompanying Prime Minister Chatchai Chunhawan on several overseas trips, including visits to India and China. Anut is close to Finance Minister Pramuan Saphawasu while Sa-nguan has established connections with the Muanchon Party of Chaloem and Wiranon is Deputy Prime Minister Phichai Rattakun's son-in-law.

Kasem said he was shocked at the report on the shake-up when contacted yesterday afternoon. "I cannot make any comment because the government, formed through democratic process, has the right to make the sweeping changes. But I am just wondering as to why we were sacked. To my knowledge, the bill governing EGAT requires that board members can be fired before their tenures expire only when they are found guilty of committing offences," he said.

But Chaloem said the shake-up order did not violate the EGAT Act which permits the Cabinet to appoint board members of any state enterprise.

"The changes are fair and reasonable," he said.

Informed EGAT sources said when Chaloem visited the EGAT-run Khao Laem hydro power plant in Kanchanaburi last Friday, he dropped a strong hint that a major change at EGAT was imminent to improve its performance.

The sources said EGAT management sensed the shake-up yesterday morning but was still not sure that the government would make such a drastic move.

The management asked unionists at the state enterprise to calm down. EGAT labour unions have been reportedly dissatisfied with the minister's frequent attacks on the general manager over the past few months.

"But as the situation stands now, I am not sure whether the EGAT management would be able to restrain the unionists from reacting to the government's move," said an EGAT source who asked not to be named.

The political consequences of the unprecedented shake-up remained unclear yesterday but an informed source called it a possible "turning point" in the politics of the country.

"I am afraid the government may not be able to control the situation if the labour unions react strongly," said the EGAT source.

EGAT Workers To Strike

BK2906023189 Bangkok BANGKOK POST in English
29 Jun 89 pp 1, 3

[Excerpts] Electricity Generating Authority of Thailand workers will go on strike at the agency's head office in Bang Kruai today to protest against the Cabinet's dismissal of all but two of EGAT's 11 board members.

The workers have threatened to demonstrate at the head office and at EGAT offices in the provinces starting at noon today.

They also warned they might resort to tougher measures if, among other things, the board is not reinstated by tomorrow.

Apparently rejecting the demands, Prime Minister Chatchai Chunhawan announced yesterday that the Cabinet ruling would stand.

EGAT union leader Sukit Chaia said yesterday the workers would rally at the Bang Kruai head office at noon today.

He added that employees at provincial offices would also demonstrate against the sweeping changes on the board.

Female employees will reportedly wear black mourning dresses today as a gesture of sympathy with the dismissed board members. [passage omitted]

EGAT workers at the head office began leaving their jobs yesterday morning in protest against the dismissals.

At about noon, the workers gathered in the auditorium to hear a statement by union leader Sukit, who had just attended a meeting of union chiefs called to discuss the sackings.

The union demanded that:

- the Cabinet reinstate the board and drop plans to privatise EGAT,
- EGAT be allowed to monopolise electricity generation and
- the union have a say in decision-making on important projects.

Mr Sukit said the Government should respond to the demands by tomorrow "or there may be changes in the Government". He declined to elaborate.

The union will submit the demands to the Prime Minister at Government House today.

EGAT executives, most of them section heads, yesterday demanded that the old board be reinstated within seven days and that PM's Office Minister Chaloem Yubam-rung, who had proposed the dismissals, be stripped of his authority to oversee EGAT.

Another group, calling itself the Committee of EGAT Operators, accused Police Captain Chaloem of having an interest in a lignite-fired plant project in Mae Mo, Lampang, and in construction projects on the Eastern Seaboard.

They also accused some of the new board members of having connections with parties in the government coalition.

Mr Sukit assured reporters the strike would not cause any blackouts.

Speaking to reporters at Government House yesterday, the Prime Minister said the dismissals had been approved by the Cabinet and would stand.

He said a new board was needed to improve EGAT's efficiency.

He said there were no other motives for changing the board.

Noting that some of the old members had been on the board for 3-4 terms, he said, "That's enough," and then asked reporters, "Can you wear the same old shirt every day?"

Asked why the old board should be replaced since they had done nothing wrong, the Premier quickly shot back, "Who owns the electricity plants?"

He said that not only EGAT's board would be replaced, but also the boards of other state enterprises which have been in office for too long.

He said there are several young men in their 40s capable of filling the empty places.

"I want to see this generation hold key positions," he said. [passage omitted]

POST Demands Explanation

BK2906081189 Bangkok BANGKOK POST in English
29 Jun 89 p 4

[Editorial: "Give Us the Reason for EGAT Changes"]

[Text] The Electricity Generating Authority of Thailand (EGAT) has long been accepted as one of the most successful of all the 63 state enterprises in this country. It was given a triple A rating by the World Bank and cited as a model for developing countries.

Such an impressive record could not have been attained without the professionalism and high calibre of the "brains" making the policy and the management carrying it out. So, on the surface at least, it is understandable why EGAT workers at the Bang Krui power plant in

Nonthaburi reacted so angrily and in such unison yesterday when they heard the Cabinet's bombshell decision to dismiss all but two of their respected board of directors. The protest is likely to spread to the other branch offices today.

EGAT workers and executives have the right to voice their feelings, provided that discipline and a sense of responsibility is maintained and any protest remains peaceful and non-disruptive. They have legitimate questions and the Government should, in all fairness, provide a full and proper explanation of just why such drastic action was taken.

The board's dismissal, which was proposed to the Cabinet by PM's Office Minister Chaloem Yubamrung, was done in something of a secretive manner which has invited speculation as to what really prompted the sweeping change. Prime Minister Chatchai Chunhawan's brief comment ascribing the move to a desire to root out those who have been in office for "far too long" needs additional qualification. There was apparently no debate in the Cabinet about the change. Nor was there a detailed explanation when the change was announced on Tuesday [27 June] evening.

The lack of an adequate explanation on the part of the Cabinet or the PM's Office Minister has led EGAT workers and the public to believe that the only "sin" that the board committed—and which justified its dismissal—is that of having held office for too long.

Rumourmongers, sceptics and critics are always happy to fill a vacuum created by an official comment that is long on implications but short on facts. The most widely-accepted and credible line of thought has it that the real motivation for the action lies in a conflict between the EGAT management and PM's Office Minister Chaloem Yubamrung over three areas: the Government's privatisation plan for EGAT; the proposed project by China to build a lignite-fired power plant in Mae Mo; and the 9,000 million baht earth-moving contract at Mae Mo. All were resisted by the EGAT board.

EGAT certainly has a fairly impressive track record, but, like all of us, it has to be flexible enough to adapt to changing times and circumstances. Of late the state enterprise has shown an alarming degree of obstinacy and persistently resisted the Government's policy of privatisation.

We firmly believe that full privatisation or partial privatisation of state enterprises is logical and sensible from both a management and a fund mobilisation standpoint. Although, for now, EGAT can stand on its own feet and perform reasonably well, it is asking too much to expect the Government and the taxpayer to continue guaranteeing its foreign borrowings to finance its expensive electricity projects.

These are facts of life and the Government should not be shy of being assertive and putting its views strongly on record whenever an opportunity occurs. In the interests of defusing the dissent within EGAT and clearing up the confusion that obviously exists, it is logical, sensible and, indeed imperative, that the Government should provide a full and clear-cut explanation justifying its decision to make changes at the top of what, in past years, has been regarded as a model state enterprise.

Editor Calls for Continued 'Purge'

BK2906020789 Bangkok *THE NATION* in English
29 Jun 89 pp 1-2

[Page 1 "Comment" by Suthichai Yun, editor of *THE NATION*, entitled: "Don't Stop Here"]

[Text] Let's play along with the game for a moment and assume that the Cabinet was only exercising its legitimate right in sacking EGAT's [Electricity Generating Authority of Thailand] board of directors on Tuesday [27 June]—and that the noise being made by the union and those screaming "political interference" were trying to distort the issue.

Let's assume also that we were ready to swallow the hopelessly incoherent arguments offered by the prime minister and minister in charge of EGAT, Chaloem Yubamrung, and pay due respect to politicians' prerequisites to "right the wrongs" at various state enterprises.

Let's also give them the benefit of the doubt—in which case this government must be lauded for its "political courage" to embark on the long-awaited restructuring process at what is believed to be one of the country's most respected state enterprises. After all, the ousted EGAT's board members aren't ordinary technocrats. They are known to be among the nation's most qualified for the job. It takes a government with real clout and determination to take on that formidable challenge.

Set aside allegations of "political interference." Ignore accusations of partisan motives or personal vendetta. And pretend that there was no widespread suspicion of possible conflict of interest on a grand scale for that matter.

With that make-believe mindset, you have a government dead serious about tackling the deep-rooted problems of incompetence, crippling red tape and ostrich-like attitude that have plagued this country's state enterprises from the very first day a state-run agency was set up.

With that generous scenario, you have a very interesting picture of a government attempting to set a bold example with a very shrewd strategy: Hit the country's best-run and widely-respected enterprise first. If you could achieve that in one clean sweep despite the influence and connections of some of Thailand's best-known personalities, the rest of the job of cleaning up state enterprises is just a walkover.

Forget about the wobbly explanations from the prime minister and Minister Chaloem yesterday and think of them as statesmen ready to place their political career on the line. You could even hear them whisper to us: you ain't seen nothing yet—this is just the beginning of the Big Purge, something we have all been demanding all along. For us to expect less from our leaders would be unpatriotic indeed.

In the process, we, the law-abiding citizens ready to back a bold government with nothing to hide, have also become bolder. And here is our new demand:

Now that the first big blow has been delivered at EGAT, the Chatchai government will have to prove that it will continue with the purge without relent: We expect boards of directors of all state enterprises, especially those known to be incompetent, corrupt, and headed by retired generals and civil servants who know nothing about what they are supposed to be doing, to get the axe every Tuesday—one by one—from now on.

Failing that, this government's sacking of the EGAT's board on Tuesday would look very suspicious and unwarranted indeed.

The public has seen the first major act. The drama must be played out in full. We expect the government to live up to the new expectations, raised to dizzying heights by the government itself.

We are ready to play along—if the government can convince us it's not playing games.

Army Drive for Electoral Reform Being Revived

BK2306012589 Bangkok *THE NATION* in English
23 Jun 89 p 2

[Text] The military is apparently renewing its campaign for a proportional representation electoral system after holding a two-day seminar to secure support for the long-controversial proposal.

About 180 military officials, academics, journalists and politicians took part in the seminar which was organized by the Internal Security Operations Command (ISOC) at the army auditorium and ended yesterday.

The majority of participants in one group discussion concluded that the time was ripe for Thailand to replace the current system of allowing people in certain constituencies to elect up to three MPs, with the system of single-MP constituencies.

The participants said the proposed proportional representation system would effectively eliminate vote-buying and give all voters equal representation in Parliament.

Deputy army chief Gen Wanchai Ruangtrakun, an assistant director of ISOC, said at the end of the seminar that the outcome of the discussion will be reported to his "superiors".

ISOC is headed by the prime minister while Acting Supreme Commander Gen Chawalit Yongchaiyut, a staunch advocate of the proposed system, is the agency's deputy director.

Noticeably, the seminar was held while MPs are pushing for another constitutional change to shift the Parliament presidency from the Senate speaker to the House speaker. The proposed amendment, which passed its first reading last week, is opposed by the dominant military wing in the Senate.

The single-MP constituency proposal has always put the military and politicians on a collision course. Opponents say the system would ruin the party system because it would lead to a proliferation of minor parties. They also dispute the claim that the proposed system would eliminate vote-buying, saying a smaller constituency would even encourage the already widespread practice.

An army-backed proposal for the single-MP constituency system was killed in a joint parliamentary sitting in July, 1985 after prolonged political wrangling.

Chinese Dailies Comment on Sanctions BK2506111189

[Editorial Report] Two Bangkok Chinese-language dailies—ZHONG HUA RIBAO and XIAN XIAN RIBAO—on 23 June carry editorials on foreign countries' reactions to China's executions of people allegedly involved in pro-democracy movement.

ZHONG HUA RIBAO's 900-word editorial on page five, entitled: "Sanction Is Not a Wise Policy: the Matter Must Be Handled With Care," says that three pro-democracy people were executed in public in Shanghai on 21 June amidst international appeals for pardon. This was the first execution following the democracy movement in China. In Beijing, seven of the eight pro-democracy elements sentenced to death were executed on 22 June. "Square accounts after the autumn harvest" is spreading to every part of China. It seems that more massive numbers of executions will follow. The execution of the three pro-democracy people in Shanghai immediately triggered strong reactions and condemnations from Western countries like Britain, France, the United States, the Netherlands, Spain, Sweden, West Germany, Belgium, and Australia. The United States gave further reaction to the Chinese Government's reprisals on 21 June. It announced new sanctions measures, including a ban on high-level contacts and blocking international loans from international aid agencies estimated at some \$1.4 billion for China in the next 6

months. Earlier on 5 June, U.S. President George Bush ordered a stop to military contacts between the United States and China and a ban on government-to-government arms deals.

The editorial says that the Chinese leaders, of course, will not be afraid of external pressures. But, a further deterioration of the economic situation will affect only those unfortunate Chinese people. They will be forced to tighten their belts and will have a more difficult life. "Moreover, if China is isolated and forced to turn back to the backward closed-door policy, it will have a serious impact on the international situation and this is unfavorable to peace and stability. It is believed that no country wants to see such a situation. Although Western countries hope to use sanctions to force the Chinese authorities to adjust their current policy, they have to think carefully about the serious consequences of a complete economic sanction."

Concluding, the editorial says that "economic sanction is not a wise policy. Western countries should handle the issue with care, not with haste."

XING XIAN RIBAO's 800-word editorial on page one, entitled: "Shanghai's Execution of Three Prisoners Causes Strong International Reactions," says that "given the current political turmoil, in order to stabilize national security and to prevent adverse impact of the incident, lenient handling is also an expedient measure, which should be given consideration."

The editorial goes on to say that international reactions toward the executions are very strong. The United States, Britain, France, Spain, West Germany, and Belgium have condemned the Shanghai Supreme Court's public execution of the three prisoners who were sentenced to death for burning a train. However, the White House announced that its new sanctions against China will not affect normal contacts between the Chinese and the U.S. Embassies. This confirms that the principle and stand that an internal incident should not involve a change in diplomatic relations. However, the Chinese government and its public opinion called the U.S. sanctions against China interference in its internal affairs.

The White House on Tuesday [27 June] issued an announcement defending its sanctions saying that "the United States supports the legitimate democratic aspirations for freedom of peoples throughout the world. The United States will continue to voice its concern and its support for these aspirations. The United States hopes that the current tragedy in China can be brought to a peaceful end and that dialogue will replace the atmosphere of suspicion and reprisal. China is an important state with which we hope to continue productive relations."

Concluding, the editorial says that the "hope" expressed in the above announcement has its reasons in principle. Statements and actions must have a basic stand that fits in with international relations regulations, which will help achieve the wish and goal of mutual benefit.

Black-Market Trade on Cambodian Border Viewed
BK1906071589 Hong Kong AFP in English 0631 GMT 19 Jun 89

[By Michael Shari]

[Excerpt] Bangkok, June 19 (AFP)—Thai and Cambodian merchants are doing business at a new trading post inside Cambodia under the eyes of Phnom Penh troops and Khmer Rouge guerrillas, as Thailand moves to normalize trade and rail links.

Less than two weeks after the marketplace sprouted on the banks of the Khlong Luk stream which marks the embattled border, some 1,200-2,000 U.S. dollars in Thai currency is changing hands every day, according to estimates by Thai traders.

The traders said they set up the makeshift trading post near a village locals call Khlong Pramhot, east of the Thai border town of Aranyaprathet, after striking a deal with troops of Cambodia's Vietnamese-backed government in the nearby garrison town of Poipet.

A percentage of the profit goes to Cambodian soldiers of the 2nd Border Protection Unit and to Khmer Rouge guerrillas whom merchants said seemed willing to let the trade continue.

While clashes between Phnom Penh troops and the Chinese-backed Khmer Rouge were reported in the Poipet area last week, Thai military sources on the border said that fighting was becoming intermittent as the rainy season rolled in.

The traders said they assumed that Thai officials in Aranyaprathet had turned a blind eye to the Khlong Pramhot market, sandwiched between two of many Thai military checkpoints strung along the border.

The traders have restricted access by journalists but last week admitted a Thai reporter who returned with accounts of Cambodians trekking through often perilous and restricted areas with the tacit consent of Phnom Penh troops to buy cigarettes, clothes, dried foodstuffs and kitchen utensils from Thailand.

The Khmers were carrying loads of spices, alcoholic beverages and forest products on their backs to the market.

Some 10 kilometers (six miles) south, some 300-500 head of cattle from central Cambodia are sold every week to Thais, with a percentage of the profits being equally divided between Khmer Rouge and Phnom Penh troops who are vying for control of the area, formerly a Khmer Rouge stronghold.

The cattle trade opposite the Thai village of Huai Nam Sai is still thriving after Phnom Penh troops mined a similar Khmer Rouge-controlled cattle market some 40 kilometers (25 miles) north of Khlong Pramhot with explosive boobytraps, killing and wounding many Cambodian traders.

Observers on the Thai side of the border interpreted the killing as a clear signal to merchants to abandon the cross-border black market.

In April, Thai Foreign Minister Sitthi Sawetsila visited Aranyaprathet to discuss with local Thai merchants the possibility of reopening official trade relations, severed since Phnom Penh fell to the Marxist Khmer Rouge in 1975. [passage omitted]

Arrest Made for Killing of Saudi Diplomat

BK2906081389 Bangkok BANGKOK POST in English 29 Jun 89 pp 1, 3

[Text] A Thai Muslim was yesterday arrested and charged with the murder of a Saudi Arabian diplomat in Bangkok in January this year.

South Bangkok Metropolitan police arrested Adinan Songkoewala, alias Mut, outside the Education Ministry.

Police said the suspect, in his early 30s, confessed he was going to attack an official of the ministry when arrested, but denied the charge of killing Saudi Arabian Embassy Third Secretary Salih al-Malik in Soi Phiphat off Silom Road in January.

Adinan, allegedly hired to attack the education official, was found with a paper-wrapped steel pipe he had intended to hit his victim with, police said.

At the South Bangkok police sub-division, three witnesses, including a woman present near the scene of the diplomat's shooting, identified Adinan as the gunman, police said.

He was detained at Lumphini police station pending further investigation concerning other suspects and the 6.35mm pistol he had allegedly used to kill the diplomat.

Deputy police director-general Sawaeng Thirasawat assigned Metropolitan Police deputy commissioner Amon Yuktanan and assistant commissioner Thanu Homhuan to head the investigation.

Meanwhile, police sources told the BANGKOK POST that two police officers scheduled to fly to Saudi Arabia last night to question a Thai worker and former Saudi diplomats were advised to postpone their trip until early next month.

The worker, identified only as Thongkham and believed to be another key witness in the murder case, would be hard to find for the time being as tens of thousands of pilgrims were heading for Mecca.

Sources said at least three more suspects would be arrested soon on charges of conspiring to murder the Saudi diplomat, who had reportedly handled the embassy's labour affairs strictly. Police have kept close watch on the other suspects, whom Adinan had associated with while visiting the Saudi Embassy frequently as an overseas job broker, the sources said.

Addition to Chatchai SIAM RAT Interview

The following additions pertain to the item headlined "SIAM RAT Interviews Premier Chatchai" published on pages 55-59 of the 27 June East Asia DAILY REPORT:

Page 57, column one, paragraph three, last sentence: replace "[passage omitted]" with the following text:

[SIAM RAT] What do you think should be the relationship between the agricultural and industrial sectors. How should it proceed?

[Chatchai] The fact is that our country is an agricultural nation whose industrial progress is just beginning. We built industrial plants up-country to spread industry to the regional areas with the aim of helping farmers, not industry. Farmland is limited, but as members of farming families increase, some of them will continue to farm, while the remainder will work in industrial plants. For example, farmers can plant jute after harvesting their main crops and their children can work in jute factories to supplement the family's income. That is all. It is not a matter of industry per se, it is just a way of supplementing the income of farming families by working in factories. I feel we have to limit agriculture and farming acreage. We will have problems if we do not limit them—our forests will be depleted. It is fortunate that the EC has cut our annual tapioca export quota to 5 tons. Just think of what would happen to the forests if the quota was 10 tons.

[SIAM RAT] You mentioned an electricity shortage, how serious is it?

[Chatchai] There is a crisis now since many industrial plants are trying to operate. High technology plants, such as smelting plants like the Pha Daeng zinc factory, require enormous amounts of electricity. Low pollution steel smelting plants use a lot of electricity. Coal is not suitable because even though it is cheaper, it produces a

lot of pollution. There is also the transportation problem. The same problem applies to lignite. Electricity is the best, but we are experiencing a shortage now. We want the private sector to invest in electricity plants. We are ready to buy electricity from those plants at the same prices that the Provincial Electricity Authority and the Metropolitan Electricity Authority pay the Electricity Generating Authority of Thailand.

Page 59, column one, paragraph four, last sentence: replace "[passage omitted]" with the following text:

There is no problem as far as the Constitution is concerned. Every party has been very nice; they have worked hard on all assignments. I am fortunate in that all cabinet ministers are elected members of parliament, except Minister Michai whose legal expertise is necessary. They understand immediately the meaning of working for the people and do not need an explanation. I am pleased that they all understand what is proper and what is not. I am fortunate that so far there have been no disputes within the Cabinet. The disputes that are reported are fabrications, they do not really exist within the Cabinet. Once a party agrees on an issue, the party members must follow. There is no cause for concern.

[SIAM RAT] How is the relationship between the government and the bureaucracy, particularly the military?

[Chatchai] For me, there is no problem as far as the military is concerned. I was born and raised around soldiers and therefore, understand what they want. I do not interfere in the military's affairs, particularly in the Defense Ministry. I perform two duties, first is policy and its implementation, and second is the budget—to allocate the budget and oversee its expenditure. I do not become involved in their administration; they have their duties and carry them out. I have no problems in this area.

As far as the other branches of the bureaucracy, I am president of the Civil Service Commission. No one wants this post. I have taken it because I feel it is a most prestigious post. Being the president, you have the opportunity to know what problems civil servants have and whether they are making academic progress.

I plan to set up a school for the development of senior civil servants, something like the Territorial Defense College. Once it is established, it will be equivalent in status to the college. Then, would-be directors general and governors will have to attend this school first. It will create a unity among the students and students will get to know each other, which will benefit future cooperation. This school will open next year.

Page 59, column one, paragraph eight, last sentence: replace "[passage omitted]" with the following text:

I have been trying to accelerate education for 10 years; I did it while I was with the Industry Ministry. Whenever I met important university lecturers I would tell them we should be careful about a shortage of manpower and would face a shortage in the future. As it turns out, factories must now hire other people [foreigners] although the jobs were meant for Thai people.

I have tried to introduce programs and several have already been implemented. Teachers colleges have even adopted these ideas by adding courses, such as secretarial courses. Such courses are better because graduates are not limited to just becoming teachers. Also, there has been decrease in the number of students due to effective family planning, forcing some schools to close. Therefore, a way out must be found for students at teachers colleges to take secretarial courses. Secretaries get better pay than teachers.

Vietnam

Further Coverage of 'Arafat Visit, Departure

'Arafat, Vo Chi Cong Speak at Banquet

BK2806145189 Hanoi VNA in English 1431 GMT
28 Jun 89

[Text] Hanoi VNA June 28—State Council President Vo Chi Cong delivered a welcoming speech at a banquet offered here yesterday evening in honour of the visiting president of the State of Palestine, Yasir 'Arafat.

Excerpts follow:

"Eight years ago, at this very place, we warmly welcomed your excellency in your capacity as chairman of the Palestine Liberation Organization (PLO). That visit took place at a time when the situation of the two regions and of our two countries was facing the most serious difficulties and challenges in the history of each nation. Today, we welcome your excellency as president of the State of Palestine in the context of deep changes taking place in the world, in the two regions and our two countries in favour of the forces of peace, national independence, democracy and social progress."

"True to their principled position, the Vietnamese people now as before have always resolutely supported the just struggle of the Arab people and particularly the Palestinian people until their total victory.

"We highly value the constructive and goodwill attitude of the PLO for a peaceful solution to the Arab-Israeli conflict. We fully support an early convocation of an international conference on peace in the Middle East with the PLO participating on an equal footing with the other parties concerned. We demand that the Israeli authorities adopt a constructive attitude by responding to this just aspiration."

The situation in the world and various regions is witnessing profound and swift changes. A conjuncture of struggle and cooperation in peaceful coexistence between countries of different political and social systems is taking shape in the world. The trend of settling regional conflicts by political solutions is developing. The ultimate interests of nations are independence, peace, stability and development.

In Southeast Asia, after 40 years of instability, the regional nations are shifting from confrontation to dialogue and cooperation. There have never been favourable conditions and bright prospects for making Southeast Asia a zone of peace, stability, cooperation and development as at present. This has helped accelerate the process of political settlement of the Cambodian issue.

Now, the Cambodia issue only remains to be the question of eliminating the genocidal Pol Pot regime and preventing the genocidal clique from returning to power in that country. We hope that together with the withdrawal of the Vietnamese troops, the agreements reached at JIM-1 and JIM-2 [first and second Jakarta informal meetings] will be scrupulously implemented by all parties concerned, military aid and intervention in Cambodia must be ceased and the principle of letting the Cambodian sides settle Cambodia's international [as received] affairs must be respected. In this spirit we welcome the outcome of the fourth meeting in Jakarta between Chairman Hun Sen and Prince Norodom Sihanouk.

At this get-together here today, we note with satisfaction that over the past years the Vietnam-Palestine friendship and cooperation have been unceasingly tempered, tested and developed. We are firmly convinced that this Vietnam visit by your excellency will certainly open up a new step of development in the existing relations between the two countries.

In his reply, President Yasir 'Arafat said:

"As you know, we the Palestinian people, have for decades been victims of a barbarous policy of repression and racial discrimination carried out by the Israeli authorities and their aggressive army.

"By rising up in struggle over the past 19 months, our people have shown their determination to continue their patriotic struggle and their heroic resistance war till victory to regain their freedom and national independence. On the other hand, by stepping up their patriotic resistance war, the Palestinian people have declared to the world and especially to the Israeli occupationists that the time of repression and occupation is over! Their repressive and terrorist acts cannot break the will of a fighting nation like Palestine.

"I would like to take this opportunity to express my profound satisfaction at the fine development of the Palestine-Vietnam relations. We pledge to do our best to

promote and consolidate those relations of friendship and cooperation in all fields on the basis of comradeship and for the mutual interests of our two peoples.

"I warmly welcome the courageous decision of the Socialist Republic of Vietnam Government to withdraw all its volunteer troops from Cambodia by the end of September 1989. This is a positive contribution by Vietnam to establishing an equitable peace in the region. I would like to affirm that the Palestinian side is prepared to coordinate actions with all parties within the framework of the Non-Aligned Movement to strive for our noble goal—an early return of peace and stability to fraternal Cambodia."

Nguyen Van Linh Meets 'Arafat

*BK2806145989 Hanoi VNA in English 1444 GMT
28 Jun 89*

[Text] Hanoi VNA June 28—Nguyen Van Linh, general secretary of the Communist Party of Vietnam Central Committee, cordially received President Yasir 'Arafat and the other members of the Palestinian delegation at the party Central Committee's guest house here early this afternoon.

The Vietnamese party leader warmly welcomed President Y. 'Arafat and his delegation to visit Vietnam bringing the message of fraternal solidarity to the Vietnamese people, which will further consolidate the long-standing friendship between the two countries.

He pointed out: "The founding of the State of Palestine is an important event, marking the growth and new success of the Palestinian people's struggle. The Communist Party, the state and the people of Vietnam welcome this event and warmly congratulate Yasir 'Arafat, the first president of the State of Palestine."

General Secretary Nguyen Van Linh reiterated Vietnam's consistent solidarity with and firm support for the Palestinian people's just cause.

President Y. 'Arafat expressed his sincere thanks to the Vietnamese leaders and people for the friendly sentiments and hospitality accorded to him and his delegation. He wished the Vietnamese people many new achievements in their national construction and the friendship and cooperation between Vietnam and Palestine further consolidation and development.

'Arafat Concludes Visit

*BK2806151389 Hanoi VNA in English 1505 GMT
28 Jun 89*

[Text] Hanoi VNA June 28—The high-level delegation of the State of Palestine led by Yasir 'Arafat, president of the state, chairman of the Palestine Liberation Organization (PLO) and commander-in-chief of the Palestinian revolutionary forces, left here this afternoon, successfully concluding its official friendship visit to Vietnam.

Present at a solemn ceremony held at the government guest house to farewell the distinguished Palestinian guests were President Vo Chi Cong, Chairman Do Muoi, Vo Nguyen Giap and many other senior Vietnamese leaders. Palestinian Ambassador Sa'id Khalil al-Masri and representatives of other Arab countries to Vietnam were also on hand.

At 15:00 hrs, President Yasir 'Arafat and his entourage left the government guest house to the hearty farewell of large crowds of Hanoians packing the square in front of the guest house.

The delegation was accompanied to the Hanoi international airport by Vo Nguyen Giap.

Visit Reviewed

*BK2806120489 Hanoi Domestic Service in Vietnamese
1100 GMT 28 Jun 89*

[Text] At the invitation of our Council of State, a high-level delegation of the State of Palestine headed by His Excellency Yasir 'Arafat, president of the State of Palestine, chairman of the PLO Executive Committee, and commander in chief of the Palestinian revolutionary forces, arrived in Hanoi yesterday evening, 27 June, for an official friendship visit to our country.

Immediately following a stately welcome at Chi Linh Square, Comrades Vo Chi Cong, chairman of the Council of State, and Do Muoi, chairman of the Council of Ministers, received and talked cordially with President 'Arafat and the distinguished Palestinian guests.

Amidst an elated atmosphere imbued with fraternal friendship, Comrade Vo Chi Cong warmly welcomed His Excellency 'Arafat who paid his first official friendship visit to Vietnam as president of the State of Palestine. He said that he hoped the visit to Vietnam by the high-level delegation of the State of Palestine would be a fine success. President 'Arafat rejoiced at his visit to the beautiful country of the heroic Vietnamese people.

Yesterday evening at the presidential palace, the SRV Councils of State and Ministers hosted a solemn reception for President 'Arafat and the distinguished Palestinian guests.

Delivering a speech at the reception, Chairman Vo Chi Cong, on behalf of the Communist Party of Vietnam, the Council of State, the Council of Ministers, and the Vietnamese people warmly welcomed the high-level delegation of the State of Palestine which was led by His Excellency 'Arafat, the PLO's outstanding leader and Vietnam's close friend, to the territory of President Ho Chi Minh.

After reviewing the various steps toward maturity of the Palestinian revolution, Chairman Vo Chi Cong said: Loyal to their principled stand, the Vietnamese people consistently and resolutely support the just struggle of

the Arab and Palestinian peoples until total victory. We highly appraise the PLO's constructive attitude toward peacefully resolving the Arab-Israel conflict. We support an early international conference on peace in the Middle East with the PLO as a participant equal to all parties involved. We demand that the Israeli authorities adopt a constructive attitude in response to this legitimate aspiration and demand. We are convinced that despite many difficulties and ordeals ahead, the Palestinian people with their indomitable fighting traditions, united around the PLO and other Arab countries, and supported by the world's peoples, will certainly advance their glorious revolution to final victory.

In his reply at the reception, President 'Arafat said: I am very happy to be here among you. Allow me to express the great honor given to my visit to a country full of hospitality, the heroic Vietnamese nation with a long history of glorious struggle. On behalf of my brothers in the high-level delegation of the State of Palestine and on my own behalf, I would like to express my profound gratitude for this warm welcome full of comradeship which you have given us since the very first moment we set foot in the beautiful capital of Hanoi; Hanoi of the struggle and Hanoi of the revolution. Allow me to represent the fighting Palestinian people to express our high appraisal of the Vietnamese people's unswerving support for the Palestinian people's just struggle for independence and freedom. This great support and assistance is vividly manifested by the fact that the SRV has recognized at the very outset the newly born State of Palestine. Our Palestinian people are extremely proud of the firm and strong relations of close militant solidarity full of comradeship between the Vietnamese and Palestine nations and between the invincible revolutions of the peoples in our two countries. We consider these to be relations of historic struggle for the same objective.

In an atmosphere imbued with friendship, Chairman Vo Chi Cong and President 'Arafat and all others present raised their glasses to a toast wishing the Palestinian people's heroic struggle win a total victory, the Vietnamese people score new victories in socialist construction, and the relations of friendship, militant solidarity, and cooperation between the Palestinian and Vietnamese peoples be constantly consolidated and developed.

This morning, 28 June, the high-level delegation of the State of Palestine led by President 'Arafat, visited President Ho Chi Minh's mausoleum. Accompanying the delegation were Comrades Vo Nguyen Giap, vice chairman of the Council of Ministers, and Nguyen Dy Nien, deputy foreign minister.

On the same day at the presidential palace, our party and state leaders held talks with the high-level Palestinian delegation. Attending the talks, on the Vietnamese side were Comrades Vo Chi Cong, chairman of the Council of State; Do Muoi, chairman of the Council of Ministers; and Comrades Vo Nguyen Giap, Nguyen Thi Dinh, Nguyen Viet Dung, Tran Hoan, Tran Van Quang, Trinh

Ngoc Thai, and Nguyen Dy Nien. On the Palestinian side were President 'Arafat and members of the Palestinian delegation. The talks were held in a cordial atmosphere imbued with friendship and fraternal militant solidarity between the two Vietnamese and Palestinian nations.

This morning, Comrade General Secretary Nguyen Van Linh cordially received President 'Arafat and his delegation. At the reception, Comrade General Secretary Nguyen Van Linh asserted that the birth of the State of Palestine marked a major step of development and growth for the Palestinian revolution. He expressed the Vietnamese people's joy over this event and congratulated His Excellency 'Arafat for being the first elected president of the State of Palestine. He once again asserted the Vietnamese people's support, and firmly stated that the Palestinian revolution would certainly win a victory.

Speaking at the reception, President 'Arafat expressed his gratitude for the Vietnamese people's support for the Palestinian people. He said: Vietnam remains always a lesson and an example for the Palestinian people.

This afternoon at the government's guest house, a solemn ceremony was held to see the Palestinian delegation off. Attending the ceremony were Comrades Vo Chi Cong, Do Muoi, and Vo Nguyen Giap. Also attending were Nguyen Thi Dinh, vice chairwoman of the Council of State; Nguyen Viet Dung, general secretary of the Council of State; Tran Van Quang, vice defense minister; Tran Tan, chairman of the Hanoi City People's Committee; Trinh Ngoc Thai, deputy head of the party Central Committee Foreign Relations Department; Nguyen Dy Nien, vice foreign minister; and many ministers, vice ministers, representatives of mass organizations at the central level and in Hanoi, and delegates of the Hanoi people. The State of Palestine ambassador, Lao charge d'affaires ad interim, DPRK ambassador, and many other ambassadors and charges d'affaires of Arab countries in Vietnam were also on hand at the ceremony.

Editorial Hails Talks

BK2906100389 Hanoi VNA in English 0652 GMT
29 Jun 89

[Text] Hanoi VNA June 29—The leading paper NHAN DAN today editorially describes the official friendship visit to Vietnam by a high-level delegation of the Palestinian State led by President Yasi 'Arafat as "a new contribution to promoting the friendship, militant solidarity and cooperation between Vietnam and Palestine for their mutual benefits and for independence and sovereignty of nations as well as for democracy, social progress and peace."

The paper says:

"Visiting Vietnam this time in his new capacity, President Yasir 'Arafat has together with esteemed Palestinian guests brought to our people the profound feelings of the staunch and undaunted Palestinian people who have been gaining ever greater successes in their noble cause. During their talks, the Vietnamese and Palestinian sides have expressed their satisfaction at the constant consolidation and development of the relations between the two countries."

"The visit," notes the paper, "took place at a time when the situation in the world, the Middle-East and Southeast Asia is witnessing deep changes in favour of the forces of peace, national independence, democracy and social progress."

"The meeting between party General Secretary Nguyen Van Linh and President Yasir 'Arafat and the talks between President Vo Chi Cong and the latter are manifestations of the close solidarity between the two sides, their single-mindedness [and] vigorous support for each other," the paper stresses, concluding:

"The Vietnamese people greatly rejoice at the constant consolidation and development of the friendship and cooperation between the Vietnamese and Palestinian peoples."

Defense Minister Leads Military Visit to USSR

For Vietnamese and Soviet accounts of the visit by SRV General Le Duc Anh, defense minister and member of the Political Bureau of the Central Committee of the Communist Party of Vietnam, and a military delegation, including an interview on troop withdrawal from Cambodia, see the International Affairs Southeast Asia & Pacific section of the Soviet Union DAILY REPORT.

Editorial Notes PRPK Contribution to Peace

BK2806105789 Hanoi VNA in English 0643 GMT
28 Jun 89

[Text] Hanoi VNA June 28—Marking the 38th anniversary of the People's Revolutionary Party of Kampuchea [PRPK], the national daily NHAN DAN today editorialises it as "an event of paramount significance in Cambodia's revolutionary history."

The paper notes that the January 7, 1979 victory in smashing the genocidal Pol Pot regime has embarked Cambodia in a new era of genuine independence and freedom, in which the Cambodian people are masters of their own destiny.

Referring to the process of peaceful settlement of the Cambodia issue, the paper says: "The total withdrawal of the Vietnamese volunteer troops from Cambodia by the end of September this year and the important decisions made by the Cambodian National Assembly in last April have, together with the outcome of JIM-1 and JIM-2 [first and Jakarta informal meetings] and the Hun

Sen-Sihanouk meetings, testified to the State of Cambodia's growth and constantly increasing international prestige and have at the same time opened up a bright prospect for the peaceful settlement of the Cambodian conflict, thus contributing to building Southeast Asia into a zone of peace, stability, freedom, neutrality and cooperation."

"However," NHAN DAN points out, "the way leading to a political solution is strewn with difficulties created by a number of people who have no practical view, counter to the common trend and left no stone unturned to prevent dialogue, interfere in Cambodia's internal affairs then create conditions for the genocidal Pol Pot clique to return to power." [sentence as received]

"The Vietnamese people greatly rejoice at the constant consolidation and development of the militant solidarity and all-around cooperation between the parties and governments of Vietnam and Cambodia, considering this a decisive factor for the success of the revolution in each country, which have contributed to peace, stability and cooperation in the region," NHAN DAN says in conclusion.

Assembly Views People's Councils, Health Care

BK2806152889 Hanoi Domestic Service in Vietnamese
1430 GMT 28 Jun 89

[“Communique No 6 of the Fifth Session of the Eighth National Assembly]

[Text] On 28 June the National Assembly met in a plenary session at the Ba Dinh Conference Hall under the direction of National Assembly Chairman Le Quang Dao.

The National Assembly discussed the Bill on Amending the Law on the Organization of People's Councils and People's Committees, the Bill on Amending the Law on the Election to People's Councils, and the Bill on Public Health Care.

More than 40 National Assembly deputies expressed their views on the following issues:

- The functions of the people's council chairman and the setting up of the standing organ of the people's council;
- Whether the people's committees should operate according to the collective system or the individual leader system, or whether these two principles should be combined;
- The term of office of village-level people's councils should be 5 years or 2 and ½ years;
- Whether the state should recognize the right of citizens to stand for election with candidates being approved by a collective of voters and a consultative

conference, or whether the state should define the freedom of people to stand for election and anyone who wants to run must be included in the list of candidates.

All the important issues discussed at the conference hall today will be put to vote in a later meeting.

Concerning the Bill on Public Health Care, a number of National Assembly deputies focused their views on the appropriate ways to implement some articles of the bill in the current conditions; and on how family planning should be stipulated in the bill to facilitate implementation.

Comrade Pham Song, minister of public health, spoke on behalf of the Bill on Public Health Care Drafting Committee of the Council of Ministers, further clarifying the issues discussed by the National Assembly deputies. The National Assembly has approved the promulgation of the Bill on Public Health Care by a vote of 358-33.

The National Assembly will continue its work at the Ba Dinh Conference Hall on the morning of 29 June.

Review of 29 June Morning Meeting

*BK2906052889 Hanoi Domestic Service in Vietnamese
0500 GMT 29 Jun 89*

[Text] This morning, National Assembly deputies continued to work at the Ba Dinh Conference Hall.

The deputies heard Comrade Cao Si Kiem, director general of the Vietnam State Bank, make a statement on the work of the banking sector between now and the end of the year.

After hearing the views contributed by National Assembly deputies, Comrade Cao Si Kiem pointed out: The banking sector will continue renovating its mechanism of management and business methods with the aim of increasing its capability to meet the demands for capital and cash of the various socioeconomic sectors. He also outlined a number of measures designed to recover money from the checks that had been incorrectly issued in the past.

Next, the deputies heard Comrade Vo Van Kiet, vice chairman of the Council of Ministers and National Assembly deputy from Cuu Long Province, express his views, assessing our national socioeconomic situation in the past. Analyzing the relatively stable price situation and its causes, he affirmed that the results achieved in this regard constitute an encouraging initial success in realizing one of the objectives set forth in the sixth party congress resolution. He also made some observations on the status of industrial production and efforts to remove the bottlenecks thereof.

Comrade Vo Van Kiet spent much time speaking about the production of grain at present and in the future and about issues which we must continue to solve in order to expand grain production.

Also this morning, the deputies heard Chairman of the Council of Ministers Do Muoi express his views on a number of issues and on the situation and tasks facing our country at present.

The National Assembly will resume its work at the conference hall this afternoon.

Daily Examines Renovation, Shortcomings of Press *BK2306140589 Hanoi Domestic Service in Vietnamese 2300 GMT 20 Jun 89*

[Text] NHAN DAN today, 21 June, carries an article entitled: "Struggle of the Press for the Renovation Cause." The article says in part:

Vietnamese history writers will note that there is a turning point in the history of the Vietnamese press in the eighties, especially the period before and after the Sixth CPV Congress. In keeping pace with the general renovation in society, the press also renovated itself. Since then, information in newspapers has improved, with diversified news concerning the people's vital requirements. News on dull social functions has been reduced. News reports in newspapers have improved in the direction of conveying ideas from the higher echelons down to the lower ones and vice versa. The press has done a good job in creating favorable conditions for the nation and frankly raising shortcomings and difficulties facing the country.

Many journalists are honest, active, and serious in their profession. However, some of them are careless newsmen who maintain a passive attitude in their work. We do not belittle these shortcomings because when newsmen have the courage to criticize, they should feel the same way about self-criticism. We understand that, when such shortcomings develop, they damage the prestige of the whole contingent of journalists, including the honest ones. As a result, we should resolutely overcome these shortcomings, but not at the price of damaging the progress made by the press in the past several years.

Society has realized the press' increasingly great effect everyday. The press can lead public opinion in any direction. For this reason, the responsibility borne by journalists is very heavy. The press should strive to renovate itself more effectively, stay closer to the people's life, and create healthy public opinion to help the nation step by step do away with difficulties, thereby guaranteeing victory for the renovation cause under the CPV's leadership.

Ho Chi Minh City Party Committee Reviews Tasks
BK2506145889 Ho Chi Minh City SAIGON GIAI
PHONG in Vietnamese 23 May pp 1, 3

[“Communique of the Ho Chi Minh City Party Organization’s Executive Committee on Its 10th Plenum”]

[Text] The Ho Chi Minh City party organization’s executive committee held its 10th plenum from 16-20 May to review the 2-year implementation of the sixth national party congress resolution and the city party organization’s fourth congress resolution, study the contents of the party Central Committee’s sixth plenum resolution for application to the city’s life; and set forth orientations, tasks, and program of actions from now until the convening of the city party organization’s fifth congress. The meeting was honored with the presence of Comrade General Secretary Nguyen Van Linh, who delivered a guiding speech.

The plenum expressed an identity of views on the contents of the party Central Committee’s sixth plenum resolution, thus showing a development of the views on renovation stressed in the resolutions of the sixth national party congress and the sixth party Central Committee plenum which correctly and promptly asserted the five basic principles for the foundation of renovation and set forth suitable positions and policies to quickly overcome socioeconomic crisis. This includes the pressing tasks of resolutely releasing productive forces, taking uniform measures against inflation, and stabilizing the socioeconomic situation.

The plenum affirmed: Despite numerous difficulties, during the past 2 years the city has persistently carried out renovation tasks in accordance with the spirit of the sixth national party congress resolution which stressed releasing productive skills and developing the multisectoral economy, while restoring and advancing the city’s commodity production to a socialist system. As a result, new progress in guiding and managing industry, services, and trade has been achieved. Many young, capable cadres have been assigned to grass-roots units, precincts, and districts, while changes for the better have been noted at the city’s outlying districts. The city party committee has consistently maintained its dynamism in leadership and guidance. However, guidance in implementation of tasks has been slow and has not met requirements. Separation of the state management function from that of production and business management has not been fulfilled due to the lack of a precise charter. Preparations have not been made to form a contingent of cadres for urgent requirements in the new situation. A number of cadres and units, during the past 2 years, have failed to keep pace with the renovation undertaking, but no resolute measures have been taken against them.

The plenum analysed the situation comprehensively, asserted its confidence in the positions and policies set forth in the party Central Committee’s sixth plenum resolution, and expressed its enthusiastic attitude toward

the general trend of development. However, due to a number of inconsistent measures, there are many phenomena of great concern: stagnation in production, obstacles in transportation, and more difficulties in the daily life of the laboring people. This indicates a very abnormal situation. As a result, the city party committee has reported and proposed to the party Central Committee a number of urgent measures aimed at overcoming these phenomena.

On the basis of the general situation, the plenum set forth positions, measures, and programs of actions for carrying out tasks from now to the beginning of 1991, which include tasks related to the immediate pressing issues, preparation for major anniversaries in 1990, and the convening of the city party organization’s fifth congress.

Following are the key positions and measures:

1. To continue to resolutely release the production capability, first, we must eliminate obstacles to economic components, especially those of state-run establishments, while integrating efforts to overcome difficulty in capital and cash; strengthen the collection of taxes levied on foreign goods to protect locally manufactured merchandise and promote the sale of goods in storage...We must apply a uniform system and policy to accelerate production, practice thrift, and enhance the quality and efficacy of production. We must accept various forms of ownership by which joint production and business activities can be carried out harmoniously and in which state-run economic components play an active role while other economic components function spontaneously.

2. Regarding money, budget, and the people’s life: The city must strive, together with the central government, to contribute to controlling and pushing back inflation, while gradually restoring normal financial and monetary activities. The city must, in the framework of its authority, immediately examine and promptly resolve issues related to interest and credits for production and business. The plenum also unanimously adopted a number of urgent measures aimed at lessening difficulty for the people’s daily life.

3. Concerning foreign trade: The general situation is favorable for the city to expand trade with foreign countries. The city must quickly overcome setbacks in various aspects in order to be able to engage in an industrial production program, the manufacture of high-quality products, promoting the year of tourism in 1990, and attracting capital investment from foreign countries in the third quarter of this year...in order to develop the city’s role as an industrial and international trade center. The city must propose to the central government the expansion of its division of management responsibility, while striving to grant more authority in export-import to economic units, including precincts and districts, with priority given to localities that have stabilized their markets and scored concrete results in business.

4. The city must appropriately develop outlying areas by building a food belt that can serve a major industrial city, create favorable conditions for the movement of a number of industrial establishments to suburban areas, and encourage precincts to invest capital in building up these areas.

5. Improve and strengthen state management in all economic, cultural, educational, security, and national defense activities...by enhancing the responsibility of various echelons of the administrative apparatus. Specifically, in the economic field, we must promptly systematize and implement the separation of state administrative management function from that of production and business management. Once freedom in doing business is expanded for economic components, the state administrative management must be strictly strengthened.

6. The task on building party and mass organizations in the new situation must concentrate on three links: In political and ideological work and in motivating the masses, we must continue to broaden democracy and openness on the basis of firmly grasping the five principles of the party Central Committee's sixth plenum resolution; we must streamline the work mechanism and resolutely eliminate intermediary organs that cause obstruction, inconvenience, and sluggishness that may lead to corruption; and we must formulate plans to select

cadres who understand renovation and who are competent to undertake major tasks and achieve concrete results at key posts, while resolutely moving those who maintain sluggish, conservative, and poor management attitudes from these posts. Reviewing these three links, the plenum stressed the comrade general secretary's guiding viewpoint on the decisive role of organizational and cadre-related tasks.

The city party organization's executive committee 10th plenum asserted that the tasks of the city party organization and people from now to the convening of the city party organization's fifth congress include efforts to satisfactorily implement resolutions of the party sixth congress and the city party organization's fourth congress, which cover the objective of "further stabilizing the socioeconomic situation and improving the people's daily life."

After this plenum of the executive committee, the entire city party organization must undertake urgent, concrete actions to assign agencies with adequate authority to inspect and control tasks at units and organizations so as to score remarkable changes from now to the end of 1989 in order to achieve a breakthrough in creating favorable conditions for the city's economic, cultural, and social development programs.

Australia

'Greens' To Have Role in Tasmanian Government

BK2906104489 Hong Kong AFP in English 1013 GMT
29 Jun 89

[Text] Hobart, Australia, June 29 (AFP)—Tasmania's Liberal government conceded power to a Labor-environmentalist alliance in the island state late Thursday after losing a no-confidence vote in Parliament.

Incumbent Premier Robin Gray, who formed a minority government despite losing his majority in a May 13 election, informed state governor Sir Philipp Bennett of his resignation.

Labor Party leader Michael Field was subsequently called in by Sir Philipp to discuss the formation of a new government which would give environmentalists an unprecedented share of power here.

Mr Gray told reporters that he would remain leader of the parliamentary Liberal Party and wished Mr Field luck.

The vote in the House of Assembly early Thursday, capping a 14-hour debate begun Wednesday afternoon, went against the Liberals as expected by just one vote at 18-17.

It followed weeks of political jockeying, including an alleged attempt to bribe one Labor legislator to cross the aisle.

Security was tight at Parliament House following death threats against Mr Gray, who has ruled the scenic island state off Australia's southeast coast since 1982.

The Liberals emerged from the elections with only 17 of the 35 seats in the House of Assembly. The "Greens" made national headlines by taking five seats and agreeing to form a government with Labor, which controls 13.

Mr Gray stubbornly clung to power but said after the no-confidence vote on Thursday: "Oh well, you win some, you lose some."

Fiji

ROK Special Envoy Begins 2-Day Visit

BK2906091389 Hong Kong AFP in English 0817 GMT
29 Jun 89

[Text] Suva, June 29 (AFP)—A personal envoy of South Korea's President Roh Tae Woo arrived in Fiji Thursday for a two-day official visit marking growing ties between the two countries.

Officials here said the envoy, former Foreign Minister Kwang Su-choe, will call on Fiji President Ratu Sir Penaia Ganilau, Prime Minister Ratu Sir Kamisese Mara and Finance Minister Josefata Kamikamica during his visit.

Mr. Kwang is accompanied by two officials from the South Korean Foreign Ministry's Asian Affairs Division.

South Korea recently donated 500,000 U.S. dollars worth of motor vehicles to the Fiji Government and has offered loans for road projects.

Fiji Foreign Affairs Secretary Taufa Vakatale said South Korea was among the top countries with which Fiji has been forging closer economic and trade ties because of "their commitment to the region."

She said South Korea, Japan and China had offered industry loans to Fiji "during our current difficult times" with South Korea now among Fiji's top six trading partners.

Fiji held a trade and tourism promotion in South Korea last month and its national carrier Air Pacific recently appointed sales agents in Seoul.

Air Pacific expects to have a Seoul stopover on its Nadi-Narita route by 1991 and has said that by the end of this year South Koreans will make up some 15 per cent of its Asian passengers.

New Zealand

Lange Survives No-Confidence Vote in Caucus

BK2906043889 Hong Kong AFP in English 0421 GMT
29 Jun 89

[Text] Wellington, June 29 (AFP)—New Zealand Prime Minister David Lange said Thursday he had survived a vote of no confidence in his leadership at a meeting of his Labour Party caucus.

Mr. Lange told reporters the caucus had agreed not to disclose the vote on the no confidence motion, but said he had won by "quite a significant, useful margin".

He would not disclose the identity of the members of Parliament who had moved the motion and added that there would be no immediate reshuffle of his cabinet.

The no confidence motion was the result of a long-running battle between Mr. Lange and former Finance Minister Roger Douglas over economic policy, analysts said.

Mr. Douglas was sacked last December and lost a leadership bid 38-15 in a caucus vote immediately afterwards, but has continued to criticise Mr. Lange both within the caucus and at public meetings he has organised throughout the country.

Mr. Lange told reporters after the vote that he was pleased the leadership challenge was over, because the destabilising campaign being waged by some caucus members since December had been costly.

"I'm sick to death of it, the party is sick to death of it, and the public must think that people who carry on like that are crazy because there's unemployment and all the major issues to be tackled," he said.

He said he was not bothered by the prospect of any future challenges to his leadership.

"They've had two goes in six months, I'm vertical, they're flat," he added.

Lange 'Warns' Opponents After Win

*BK2906085889 Hong Kong AFP in English 0816 GMT
29 Jun 89*

[Text] Wellington, June 29 (AFP)—New Zealand Prime Minister David Lange warned opponents in his Labour Party caucus to toe the line or risk expulsion after he survived a vote of no confidence in his leadership Thursday.

Mr Lange told reporters the caucus had agreed not to disclose the vote on the no confidence motion, but said he had won by "quite a significant, useful margin."

The no confidence motion was the result of a long-running battle between Mr Lange and former finance minister Roger Douglas, the architect of the government's free market regime, over the pace of economic change.

Mr Douglas was sacked in December and lost a leadership bid 38-15 in a caucus vote immediately afterwards.

He then promised a six-month destabilisation campaign, and has continued to criticise Mr Lange both within the caucus and at public meetings he and his supporters have organised throughout the country.

The issue was brought to a head at the caucus meeting Thursday by MPs, including some cabinet ministers, alarmed by the effect on public opinion of the Lange-Douglas feud.

The government has performed poorly in opinion polls this year and many MPs believed a solution to the internecine strife was essential to restore public support.

Mr Lange said the caucus had resolved not to engage in any future actions that would further destabilise the party.

Asked what action would be taken against dissenters, he replied: "they would attract caucus odium, prime ministerial displeasure, party rebuke and an enormous yawn and ho-hum from the public of New Zealand who have had a gutful of posturing politicians."

Asked if they could expect to be expelled from the Labour Party, he said: "absolutely."

Mr Lange reiterated his undertaking to have a cabinet reshuffle in October and said it would be up to the caucus to pick the new ministers, leaving the way open for Mr Douglas's return.

The next general election will be fought around September 1990.

Mr Lange said he was "sick to death" of the wrangling of the past six months.

"The party is sick to death of it, and the public must think that people who carry on like that are crazy, because there are major issues to be tackled."

He said that "to a certain extent" he had provoked the no confidence motion because he believed the issue had to be dealt with.

He would not disclose who had moved the motion, but political sources said it was a cabinet minister.

Mr Douglas told reporters after the caucus vote that he did not regard it as a personal defeat.

He said it "may well bring the government together more than pull it apart." He would not be drawn, however, to make a firm commitment to cease all criticism of Mr Lange or his policies.

Papua New Guinea

Minister To Press Australia for Helicopters

*BK2906140689 Hong Kong AFP in English 1343 GMT
29 Jun 89*

[Text] Port Moresby, June 29 (AFP)—Papua New Guinea Defence Minister Benias Sabumei flew to Australia Thursday intent on winning the early release of four helicopters wanted for military purposes on troubled Bougainville, official sources said.

The sources said the Port Moresby government was upset that Australia was baulking at delivering the four Iroquois helicopters ahead of schedule.

The Australian government maintains that use of the helicopters on Bougainville—where a state of emergency has been declared—raises complex and delicate issues, including the safety of some 2,000 Australian nationals on the island.

Mr Sabumei left here aboard a Royal Australian Air Force [RAAF] plane for Perth to officially take delivery on Saturday of the fourth patrol boat being supplied to Papua New Guinea under an Australian military aid package to South Pacific nations.

However the official sources here said Mr Sabumei would take the opportunity at talks Friday with his counterpart Kim Beazley to push strongly for release of the helicopters.

They said Mr Sabumei would in effect tell Mr Beazley to "Give the helicopters now or forget about them."

Minister of State Ted Diro said Monday that any delay in granting the helicopters would threaten the lives of

police and soldiers seeking to flush out secessionist guerrillas who have forced Bougainville Copper Ltd. to shut down its vast copper mining operation.

Australia agreed to provide the four helicopters under its defence cooperation program when Papua New Guinea Prime Minister Rabbie Namaliu was in Canberra for official talks last month.

Papua New Guinea does not have any qualified pilots at present and the agreement provided for the delivery of the Iroquois over two years after the RAAF had trained suitable crew.

However the Papua New Guinea Government has proposed hiring civilian pilots if it can put the helicopters into service immediately.

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